



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

December 02, 2020

DEMAND AND INFORMATION REQUEST LETTER
URGENT LEGAL MATTER – PROMPT REPLY NECESSARY
VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

David B. Jones
17150 Brown Ave Ext
Belton, South Carolina 29627

Re: Demand for Payment of Response Costs and Information Request
Welch Group Environmental Belton Site, Belton, Anderson County, South Carolina
Site/Spill ID Number: B4E7
CERCLA ID Number: SCN000410659
Administrative Settlement Agreement and Order on Consent for Removal Action
EPA Docket No. CERCLA-04-2011-3762
Payment of \$1,297,830.61

Dear Mr. Jones:

As discussed with you during the November 12, 2020 telephone conference with Yeliann Montanez, Assistant Regional Counsel, the purposes of this letter are to 1) request payment from you of Past Response Costs and Future Response Costs incurred by the United States Environmental Protection Agency at the Welch Group Environmental Belton Site (the Site) located on or about 5043 Belton Highway in Belton, Anderson County, South Carolina and 2) seek information from you pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation and Liability (CERCLA), 42 U.S.C. § 9604(e), since you have alleged you might have an inability to pay the EPA's Past and Future Response Costs.

Payment of Past and Future Response Costs is requested pursuant to the Administrative Settlement Agreement and Order on Consent for Removal Action (Settlement Agreement), EPA Docket No. CERCLA-04-2011-3762, you entered into with the EPA, which became effective on May 12, 2011. The Past and Future Response Costs incurred at the Site from January 2011 through January 27, 2020, total approximately \$1,297,830.61. An itemized Superfund Cost Recovery Package Imaging and On-Line System (SCORPIOS) Report is attached hereto as **Enclosure A**. An Indirect Cost Overview is also attached hereto as **Enclosure B**. The Settlement Agreement is attached hereto as **Enclosure C**.

Please note that there may be other response costs incurred during this period which are not yet reflected in our financial systems for this billing. Therefore, additional response costs may appear in a future bill for this current billing period.

As required by Paragraphs 39 and 40 of Section XV (Payment of Response Costs) of the Settlement Agreement, you shall remit a minimum of \$15,000.00 per calendar month to the EPA within sixty (60) days from the date of your receipt of this demand letter until the EPA's cumulative Past and Future Response Costs are paid in full. The total amount to be paid by you shall be deposited by the EPA into the EPA Hazardous Substance Superfund. The notice of payments of Past and Future Response Costs should reference the Welch Group Environmental Belton Site, the Site/Spill ID Number B4E7, and EPA Docket No. CERCLA-04-2011-3762.

Payments of Past and Future Response Costs shall be made by Electronic Funds Transfer (Wire Transfer) and directed to the Federal Reserve Bank of New York as follows:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read "D 68010727
Environmental Protection Agency"

At the time of each payment of Past and Future Response Costs, you shall send notice that each payment has been made by email to acctsreceivable.cinwd@epa.gov, or by mail to:

EPA Cincinnati Finance Office
26 W. Martin Luther King Drive
Cincinnati, Ohio 45268

At time of each payment of Past and Future Response Costs, you shall also send notice that each payment has been made to Paula V. Painter by e-mail to painter.paula@epa.gov, and by mail to:

Paula V. Painter
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

If payment for Past and Future Response Costs is not made within sixty (60) days from the date of your receipt of this letter, interest shall begin to accrue in accordance with Section XV, Paragraph 41 of the Settlement Agreement. Should you wish to dispute Future Response Costs billed under Paragraph 40 of the Settlement Agreement, you must notify the EPA of such dispute in accordance with Paragraph 42 and the dispute resolution provisions contained in Section XVI (Dispute Resolution) of the Settlement Agreement. As required by Paragraph 42 of the Settlement Agreement, all disputed amounts must be deposited into an interest-bearing escrow account. In the event of an objection, you shall pay all undisputed Future Response Costs in the manner described in Paragraph 40 of the Settlement Agreement.

Stipulated penalties may be imposed, in accordance with Section XVIII (Stipulated Penalties) of the Settlement Agreement, if Past and Future Response Costs are not timely made. Additionally, if the payment amount identified in this letter is not paid within the time required under the Settlement Agreement, the EPA may take further collection efforts, including the referral of this debt to the United States Department of Justice for enforcement and collection. The referral will seek payment of the amount due as provided in the Settlement Agreement, plus accrued interest, civil penalties, and enforcement costs, including attorneys' fees, as appropriate.

Please note, unless otherwise advised in writing by the EPA, any communications with the EPA will not relieve you of your obligation to make the required timely payments as provided in this letter.

Financial Concerns/Ability to Pay Settlements

The EPA is aware that the financial ability of some potentially responsible parties (PRPs) to contribute toward the payment of response costs at a site may be substantially limited. On or about September 6, 2018, you signed an Access Authorization in which you alleged you might fall within this category. During the November 12, 2020 telephone conversation with Yeliann Montanez, Assistant Regional Counsel, you again informed the EPA you might fall within this category. As such, an Information Request to be completed as directed below is attached hereto. If the EPA concludes that you have a legitimate inability to pay the full amount of the EPA's response costs, the EPA may offer a reduction in the total amount demanded from you.

Information Request

The EPA further hereby issues you an Information Request pursuant to the authority of Section 104(e) CERCLA, 42 U.S.C. § 9604(e), to which you must respond within thirty (30) calendar days from the date of your receipt of this letter. Instructions on how to respond to the questions are included in **Enclosure D** as well as definitions that apply to the words appearing in the questions. The questions set forth in **Enclosure E**.

Compliance with the Information Request is mandatory. Failure to respond fully and truthfully to the Information Request within thirty (30) calendar days from the date of your receipt of this letter, or to adequately justify such failure to respond, can result in enforcement action by the EPA against you pursuant to Section 104(e) of CERCLA, 42 U.S.C. § 9604(e). This statute permits the EPA to seek the imposition of penalties of up to \$58,328.00 for each day of continued non-compliance. Please be further advised that the submission of false, fictitious, or fraudulent statements or representations to the Information Request may subject you to criminal penalties under 18 U.S.C. § 1001.

Your response to the Information Request shall be submitted Yeliann Montanez by e-mail to montanez.yeliann@epa.gov and by mail to U.S. EPA Region 4, 61 Forsyth Street, S.W., Atlanta, Georgia 30303. This Information Request is not subject to the approval requirements of the Paperwork Reduction Act of 1980, 44 U.S.C. § 3501 et seq.

Should you have any questions pertaining to this letter or find the deadlines in this letter difficult to meet in light of the COVID-19 situation, please contact Yeliann Montanez, Assistant Regional Counsel, at (404) 562-9522, so the EPA might consider accommodations, as necessary.

Sincerely,

**Maurice L. Horsey,
IV**

Digitally signed by Maurice L.
Horsey, IV

Date: 2020.12.02 15:33:42 -05'00'

Maurice L. Horsey, IV | Chief
Enforcement Branch
Superfund & Emergency Management
Division
U.S. EPA Region 4

Enclosures:

- A. SCORPIOS Report (January 27, 2020)
- B. Indirect Cost Overview [65 Fed. Reg. 35339 (May 30, 2000)]
- C. Settlement Agreement
- D. 104(e) Information Request Instructions and Definitions
- E. 104(e) Information Request Questions

Reconciliation Pending

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Reconciliation Pending
Narrative Cost Summary

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

1. The United States Environmental Protection Agency has incurred at least \$54,165.39 for Regional Payroll Costs.
2. The United States Environmental Protection Agency has incurred at least \$850.79 for Regional Travel Costs.
3. The United States Environmental Protection Agency has incurred costs of at least \$567,651.51 for EMERGENCY & RAPID RESPONSE SERVICES contract expenditures. The total represents the amount spent under the ENVIRONMENTAL RESTORATION contract.
4. The United States Environmental Protection Agency has incurred costs of at least \$19,058.50 for S/F TECH ASSESSMENT & REPOSSES TEAM (START II) contract expenditures. The total represents the amount spent under the ONEIDA TOTAL INTEGRATED ENTERPR LLC contract.
5. The United States Environmental Protection Agency has incurred costs of at least \$74,414.17 for TECHNICAL SERVICES AND SUPPORT contract expenditures. The total represents the amount spent under the ONEIDA TOTAL INTEGRATED ENTERPRISES contract.
6. The United States Environmental Protection Agency has incurred at least \$581,690.25 for Indirect Costs.

Total Site Costs:

\$1,297,830.61

Reconciliation Pending

Itemized Cost Summary

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

REGIONAL PAYROLL COSTS	\$54,165.39
REGIONAL TRAVEL COSTS	\$850.79
EMERGENCY & RAPID RESPONSE SERVICES	
ENVIRONMENTAL RESTORATION (EPS41503)	\$567,651.51
S/F TECH ASSESSMENT & REPONSES TEAM (START II)	
ONEIDA TOTAL INTEGRATED ENTERPR LLC (EPW05053)	\$19,058.50
TECHNICAL SERVICES AND SUPPORT	
ONEIDA TOTAL INTEGRATED ENTERPRISES (EPS41501)	\$74,414.17
EPA INDIRECT COSTS	\$581,690.25
Total Site Costs:	\$1,297,830.61

Reconciliation Pending

Regional Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
BATES, LLOYD DISPUTE RESOLUTION SPECIALIST	2019	06	2.00	152.87
			<hr/> 2.00	<hr/> \$152.87
BOOTH, JASON Life Scientist (OSC)	2019	05	94.00	5,234.60
		06	80.00	4,920.50
		12	43.00	2,836.79
		13	51.00	3,371.46
		14	46.00	3,001.39
		15	46.00	3,001.32
		16	45.00	2,946.84
		17	46.50	3,029.53
	2020	06	40.00	2,722.00
			<hr/> 491.50	<hr/> \$31,064.43
CHAFFINS, RANDALL ENVIRONMENTAL ENGINEER	2018	24	0.50	52.92
			<hr/> 0.50	<hr/> \$52.92
COLEMAN, KERISA Public Affairs Specialist	2019	12	2.00	123.77
			<hr/> 2.00	<hr/> \$123.77
CROWNOVER, REBECCA SECRETARY (TYPING)	2019	18	0.50	27.46
		21	0.50	27.50
		24	0.50	28.13
	2020	01	0.50	28.13
		03	0.50	28.59
			<hr/> 2.50	<hr/> \$139.81
EICHINGER, KEVIN Industrial Hygienist (OSC)	2013	11	2.00	112.25
			<hr/> 2.00	<hr/> \$112.25
ERTEP, SERDAR Environmental Scientist	2018	20	16.00	1,257.17
	2019	02	8.00	630.02
		11	40.00	3,193.82

Reconciliation Pending

Regional Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
ERTEP, SERDAR	2019	12	32.00	2,555.12
			96.00	\$7,636.13
FRANCENDESE, LEO LIFE SCIENTIST	2011	10	22.00	1,607.97
		11	16.00	1,169.45
		12	2.00	146.18
		13	4.00	292.37
		17	1.00	67.14
		18	1.00	73.09
		19	3.00	219.27
		20	3.00	219.27
		21	3.00	219.27
		2012	02	73.20
		03	3.00	219.60
			59.00	\$4,306.81
GARRARD, JORDAN ENVIRONMENTAL SCIENTIST	2016	13	6.00	399.61
			6.00	\$399.61
HARPER, GREGORY Industrial Hygienist (OSC)	2012	05	2.00	95.34
		07	4.00	191.10
		10	4.00	191.44
	2016	13	6.00	439.16
			16.00	\$917.04
HILL, FRANKLIN SUPERVISORY PROGRAM ANALYST	2018	24	0.50	49.54
			0.50	\$49.54
HUYSER, MATTHEW ENVIRONMENTAL ENGINEER	2011	13	34.00	2,150.78
			34.00	\$2,150.78
JAIKARAN, BIANCA ATTORNEY-ADVISER	2011	11	7.00	311.22
		12	3.75	166.73
		13	7.25	322.34
		14	2.00	88.92

Reconciliation Pending

Regional Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
JAIKARAN, BIANCA	2011	15	3.00	133.37
		16	3.50	164.58
		17	3.25	152.83
		18	0.50	23.51
		19	0.50	23.51
		27	0.50	23.58
	2015	19	2.00	137.41
	2016	16	2.00	144.18
	2017	04	1.00	72.10
		26	1.00	73.54
	2018	13	6.00	462.52
		14	1.00	77.09
		15	1.00	77.10
		22	2.00	154.17
		24	10.00	770.89
			<u>57.25</u>	<u>\$3,379.59</u>
JOHNSON, DORA	2018	26	1.75	135.53
DANNER, DORA, A. ENVIRONMENTAL ENGINEER	2019	01	0.75	58.05
		06	1.00	77.37
		10	0.25	19.62
		18	1.00	78.67
		21	1.00	78.75
		24	3.50	275.38
	2020	01	1.00	78.69
			<u>10.25</u>	<u>\$802.06</u>
JONES, SYLVIA ENVIRONMENTAL SCIENTIST	2019	04	1.00	73.11
		14	0.25	18.60
		17	0.25	18.60
		18	0.50	37.20
		23	0.25	18.60
		25	0.50	37.20
		27	0.50	37.20
	2020	04	1.00	75.69
			<u>4.25</u>	<u>\$316.20</u>

Reconciliation Pending

Regional Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
MANN, TERESA	2011	12	0.50	44.90
GENERAL ATTORNEY		17	1.00	89.79
			1.50	\$134.69
MOORE, DELYNTONEUS	2011	14	1.00	79.18
ENVIRONMENTAL ENGINEER			1.00	\$79.18
PAINTER, PAULA	2011	19	0.50	26.06
BACHELOR, PAULA V.				
ENVIRONMENTAL PROTECTION SPECIALIST			0.50	\$26.06
RICHARDSON, BRENITA	2011	11	1.00	56.97
ENVIRONMENTAL PROTECTION SPECIALIST		12	1.00	56.94
		13	7.50	427.19
		14	6.00	341.75
		15	3.00	170.88
		16	3.00	170.88
	2013	24	0.50	29.35
		25	0.50	29.35
			22.50	\$1,283.31
RIVERA, FERNANDO	2014	08	5.00	290.90
ENVIRONMENTAL ENGINEER		09	3.00	176.41
	2017	25	4.00	277.89
	2018	24	2.00	145.18
		26	1.00	72.59
			15.00	\$962.97
STERLING, BLAKE	2011	11	1.00	56.55
CIVIL INVESTIGATOR			1.00	\$56.55
WALKER, ANGELA	2011	10	0.50	18.82

Reconciliation Pending
Regional Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7
Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Hours</u>	<u>Payroll Costs</u>
CERCLIS DATA SPECIALIST			0.50	\$18.82
Total Regional Payroll Costs			825.75	\$54,165.39

Reconciliation Pending

Headquarters Payroll Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Employee Name</u>	<u>Fiscal</u> <u>Year</u>	<u>Pay</u> <u>Period</u>	<u>Payroll</u> <u>Hours</u>	<u>Payroll</u> <u>Costs</u>
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Reconciliation Pending

Regional Travel Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>
ERTEP, SERDAR	TAA061M6	AMP180198	07/06/2018	127.50
Environmental Scientist	TAA061M6	AVC180249	07/06/2018	228.67
				<hr/> \$356.17
GARRARD, JORDAN	TAA02LWW	AMP160116	03/25/2016	110.29
ENVIRONMENTAL SCIENTIST	TAA02LWW	AVC160124	03/25/2016	89.50
				<hr/> \$199.79
HARPER, GREGORY	TAA02LST	AMP160119	03/30/2016	50.00
Industrial Hygienist (OSC)	TAA02LST	AVC160127	03/30/2016	130.25
				<hr/> \$180.25
HUYSER, MATTHEW	0RGH9M	ACHA11118	05/02/2011	114.58
ENVIRONMENTAL ENGINEER				<hr/> \$114.58
				<hr/>
Total Regional Travel Costs				<hr/> <hr/> \$850.79

Reconciliation Pending

Headquarters Travel Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>
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Reconciliation Pending

Contract Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

EMERGENCY & RAPID RESPONSE SERVICES

Contractor Name: ENVIRONMENTAL RESTORATION

EPA Contract Number: EPS41503

Delivery Order Information	<u>DO #</u>	<u>Start Date</u>	<u>End Date</u>
	68HE0418F0521	10/24/2018	08/31/2019

Project Officer(s): JOHNSON, DORA

Dates of Service: From: 10/24/2018 To: 08/31/2019

Summary of Service: EMERGENCY RESPONSE CONTRACTS-SUB(OSCM)

Total Costs: \$567,651.51

<u>Voucher Number</u>	<u>Voucher Date</u>	<u>Voucher Amount</u>	<u>Treasury Schedule Number and Date</u>	<u>Site Amount</u>
24521-01	01/24/2019	104,223.43	AVC190118 02/11/2019	104,223.43
24521-02	03/14/2019	207,677.80	AVC190162 03/28/2019	207,677.80
24521-03	04/17/2019	215,571.83	AVC190185 04/30/2019	215,571.83
24521-04	05/22/2019	29,353.81	AVC190212 06/06/2019	29,353.81
24521-05	07/10/2019	4,685.89	AVC190246 07/23/2019	4,685.89
24521-06	08/16/2019	4,230.63	AVC190276 08/29/2019	4,230.63
24521-07	09/25/2019	107.63	AVC200009 10/08/2019	107.63
24521-08	11/06/2019	1,800.49	AVC200048 11/20/2019	1,800.49
			Total:	<u>\$567,651.51</u>

Reconciliation Pending

Contract Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

S/F TECH ASSESSMENT & REPONSES TEAM (START II)

Contractor Name: ONEIDA TOTAL INTEGRATED ENTERPR LLC

EPA Contract Number: EPW05053

Delivery Order Information	<u>DO #</u>	<u>Start Date</u>	<u>End Date</u>
	00001	08/01/2011	12/31/2013
	1	02/01/2011	06/30/2011

Project Officer(s): JONES, SYLVIA

Dates of Service: From: 02/01/2011 To: 12/31/2013

Summary of Service: S/F TECH ASSESSMENT&RESPONSE TEAM (REDI)

Total Costs: \$19,058.50

<u>Voucher Number</u>	<u>Voucher Date</u>	<u>Voucher Amount</u>	<u>Treasury Schedule Number</u>	<u>Schedule and Date</u>	<u>Site Amount</u>	<u>Annual Allocation</u>
110995	03/21/2011	148,966.00	R1670	04/20/2011	9,027.92	338.08
111161	04/21/2011	158,861.20	R1782	05/23/2011	5,797.87	217.12
111537	07/15/2011	140,278.52	R1B05	08/23/2011	1,804.97	67.59
111898	09/11/2011	132,286.64	ACHC11271	09/30/2011	155.88	5.84
120076	10/18/2011	120,399.79	AVC110056	11/28/2011	350.73	13.13
120252	11/18/2011	139,007.81	AVC110088	12/22/2011	517.98	19.40
120529	12/20/2011	128,175.92	AVC120016	01/19/2012	77.94	2.92
120709	01/20/2011	144,840.45	AVC120044	02/23/2012	108.66	4.07
140756	01/24/2014	36,203.43	AVC140091	02/12/2014	528.60	19.80
Total:					\$18,370.55	\$687.95

Reconciliation Pending

Contract Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

S/F TECH ASSESSMENT & REPONSES TEAM (START II)

Contractor Name: ONEIDA TOTAL INTEGRATED ENTERPR LLC

EPA Contract Number: EPW05053

Delivery Order Information	<u>DO #</u>	<u>Start Date</u>	<u>End Date</u>
	00001	08/01/2011	12/31/2013
	1	02/01/2011	06/30/2011

Project Officer(s): JONES, SYLVIA

Dates of Service: From: 02/01/2011 To: 12/31/2013

Summary of Service: S/F TECH ASSESSMENT&RESPONSE TEAM (REDI)

Total Costs: \$19,058.50

<u>Voucher Number</u>	<u>Schedule Number</u>	<u>Rate Type</u>	<u>Annual Allocation Rate</u>
110995	R1670	Provisional	0.037448
111161	R1782	Provisional	0.037448
111537	R1B05	Provisional	0.037448
111898	ACHC11271	Provisional	0.037448
120076	AVC110056	Provisional	0.037448
120252	AVC110088	Provisional	0.037448
120529	AVC120016	Provisional	0.037448
120709	AVC120044	Provisional	0.037448
140756	AVC140091	Provisional	0.037448

Reconciliation Pending

Contract Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

TECHNICAL SERVICES AND SUPPORT

Contractor Name: ONEIDA TOTAL INTEGRATED ENTERPRISES

EPA Contract Number: EPS41501

Delivery Order Information	<u>DO #</u>	<u>Start Date</u>	<u>End Date</u>
	00001	11/01/2018	09/30/2019
	00002	07/01/2018	08/31/2018

Project Officer(s): JONES, SYLVIA

Dates of Service: From: 07/01/2018 To: 09/30/2019

Summary of Service: TECHNICAL SERVICES AND SUPPORT

Total Costs: \$74,414.17

<u>Voucher Number</u>	<u>Voucher Date</u>	<u>Voucher Amount</u>	<u>Treasury Schedule Number and Date</u>	<u>Site Amount</u>
39	08/23/2018	20,096.86	AVC180313 09/14/2018	394.21
40R	09/20/2018	23,334.03	AVC190004 10/03/2018	810.91
45	12/19/2018	49,861.68	AVC190109 02/05/2019	8,174.44
46	01/19/2019	61,283.54	AVC190136 02/27/2019	24,707.45
48	03/19/2019	59,672.40	AVC190174 04/15/2019	2,728.02
49R	04/19/2019	50,458.13	AVC190200 05/20/2019	21,036.59
50	05/19/2019	68,643.17	AVC190214 06/10/2019	2,876.28
51	06/19/2019	60,054.16	AVC190234 07/08/2019	3,676.66
52	07/19/2019	39,337.37	AVC190262 08/09/2019	2,896.03
53	08/19/2019	41,539.26	AVC190288 09/12/2019	4,431.88
54	09/19/2019	65,636.06	AVC200015 10/15/2019	1,430.24
55	10/19/2019	61,761.23	AVC200043 11/18/2019	1,251.46
			Total:	<u>\$74,414.17</u>

Reconciliation Pending

Financial Cost Summary for the Contract Lab Program

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

CONTRACT LAB PROGRAM (CLP) COSTS

Reconciliation Pending

Miscellaneous (MIS) Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

<u>Fiscal Year</u>	<u>Direct Costs</u>	<u>Indirect Rate(%)</u>	<u>Indirect Costs</u>
2011	26,645.14	55.33%	14,742.74
2012	1,865.51	52.19%	973.61
2013	170.95	55.90%	95.57
2014	1,015.71	76.73%	779.36
2015	137.41	73.74%	101.33
2016	1,362.99	67.95%	926.14
2017	423.53	71.19%	301.51
2018	4,005.08	82.36%	3,298.59
2019	672,991.12	82.36%	554,275.52
2020	7,522.92	82.36%	6,195.88
	<u>716,140.36</u>		
Total EPA Indirect Costs			<u>\$581,690.25</u>

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
FRANCENDESE, LEO	2011	10	1,607.97	55.33%	889.69
		11	1,169.45	55.33%	647.06
		12	146.18	55.33%	80.88
		13	292.37	55.33%	161.77
		17	67.14	55.33%	37.15
		18	73.09	55.33%	40.44
		19	219.27	55.33%	121.32
		20	219.27	55.33%	121.32
		21	219.27	55.33%	121.32
			<u>4,014.01</u>		<u>\$2,220.95</u>
HUYSER, MATTHEW	2011	13	2,150.78	55.33%	1,190.03
			<u>2,150.78</u>		<u>\$1,190.03</u>
JAIKARAN, BIANCA	2011	11	311.22	55.33%	172.20
		12	166.73	55.33%	92.25
		13	322.34	55.33%	178.35
		14	88.92	55.33%	49.20
		15	133.37	55.33%	73.79
		16	164.58	55.33%	91.06
		17	152.83	55.33%	84.56
		18	23.51	55.33%	13.01
		19	23.51	55.33%	13.01
		27	23.58	55.33%	13.05
			<u>1,410.59</u>		<u>\$780.48</u>
MANN, TERESA	2011	12	44.90	55.33%	24.84
		17	89.79	55.33%	49.68
			<u>134.69</u>		<u>\$74.52</u>

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
MOORE, DELYNTONEUS	2011	14	79.18	55.33%	43.81
			79.18		\$43.81
PAINTER, PAULA	2011	19	26.06	55.33%	14.42
			26.06		\$14.42
RICHARDSON, BRENITA	2011	11	56.97	55.33%	31.52
		12	56.94	55.33%	31.50
		13	427.19	55.33%	236.36
		14	341.75	55.33%	189.09
		15	170.88	55.33%	94.55
		16	170.88	55.33%	94.55
			1,224.61		\$677.57
STERLING, BLAKE	2011	11	56.55	55.33%	31.29
			56.55		\$31.29
WALKER, ANGELA	2011	10	18.82	55.33%	10.41
			18.82		\$10.41
Total Fiscal Year 2011 Payroll Direct Costs:			9,115.29		\$5,043.48

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

TRAVEL DIRECT COSTS

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
HUYSER, MATTHEW	0RGH9M	05/02/2011	114.58	55.33%	63.39
			114.58		\$63.39
Total Fiscal Year 2011 Travel Direct Costs:			114.58		\$63.39

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPW05053	110995	04/20/2011	9,027.92	338.08	55.33%	5,182.21
	111161	05/23/2011	5,797.87	217.12	55.33%	3,328.09
	111537	08/23/2011	1,804.97	67.59	55.33%	1,036.09
	111898	09/30/2011	155.88	5.84	55.33%	89.48
			16,786.64	628.63		\$9,635.87
Total Fiscal Year 2011 Other Direct Costs:			16,786.64	628.63		\$9,635.87
Total Fiscal Year 2011:			26,645.14			\$14,742.74

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
FRANCENDESE, LEO	2012	02	73.20	52.19%	38.20
		03	219.60	52.19%	114.61
			292.80		\$152.81
HARPER, GREGORY	2012	05	95.34	52.19%	49.76
		07	191.10	52.19%	99.74

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
HARPER, GREGORY	2012	10	191.44	52.19%	99.91
			477.88		\$249.41
Total Fiscal Year 2012 Payroll Direct Costs:			770.68		\$402.22

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPW05053	120076	11/28/2011	350.73	13.13	52.19%	189.90
	120252	12/22/2011	517.98	19.40	52.19%	280.46
	120529	01/19/2012	77.94	2.92	52.19%	42.20
	120709	02/23/2012	108.66	4.07	52.19%	58.83
			1,055.31	39.52		\$571.39
Total Fiscal Year 2012 Other Direct Costs:			1,055.31	39.52		\$571.39
Total Fiscal Year 2012:			1,865.51			\$973.61

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EICHINGER, KEVIN	2013	11	112.25	55.90%	62.75
			112.25		\$62.75
RICHARDSON, BRENITA	2013	24	29.35	55.90%	16.41

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
RICHARDSON, BRENITA	2013	25	29.35	55.90%	16.41
			58.70		\$32.82
Total Fiscal Year 2013 Payroll Direct Costs:			170.95		\$95.57
Total Fiscal Year 2013:			170.95		\$95.57

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
RIVERA, FERNANDO	2014	08	290.90	76.73%	223.21
		09	176.41	76.73%	135.36
			467.31		\$358.57
Total Fiscal Year 2014 Payroll Direct Costs:			467.31		\$358.57

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPW05053	140756	02/12/2014	528.60	19.80	76.73%	420.79
			528.60	19.80		\$420.79
Total Fiscal Year 2014 Other Direct Costs:			528.60	19.80		\$420.79
Total Fiscal Year 2014:			1,015.71			\$779.36

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
JAIKARAN, BIANCA	2015	19	137.41	73.74%	101.33
			137.41		\$101.33
Total Fiscal Year 2015 Payroll Direct Costs:			137.41		\$101.33
Total Fiscal Year 2015:			137.41		\$101.33

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
GARRARD, JORDAN	2016	13	399.61	67.95%	271.53
			399.61		\$271.53
HARPER, GREGORY	2016	13	439.16	67.95%	298.41
			439.16		\$298.41
JAIKARAN, BIANCA	2016	16	144.18	67.95%	97.97
			144.18		\$97.97
Total Fiscal Year 2016 Payroll Direct Costs:			982.95		\$667.91

TRAVEL DIRECT COSTS

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
GARRARD, JORDAN	TAA02LWW	03/25/2016	89.50	67.95%	60.81

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

TRAVEL DIRECT COSTS

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
GARRARD, JORDAN	TAA02LWW	03/25/2016	110.29	67.95%	74.94
			199.79		\$135.75
HARPER, GREGORY	TAA02LST	03/30/2016	130.25	67.95%	88.50
			50.00	67.95%	33.98
			180.25		\$122.48
Total Fiscal Year 2016 Travel Direct Costs:			380.04		\$258.23
Total Fiscal Year 2016:			1,362.99		\$926.14

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
JAIKARAN, BIANCA	2017	04	72.10	71.19%	51.33
		26	73.54	71.19%	52.35
			145.64		\$103.68
RIVERA, FERNANDO	2017	25	277.89	71.19%	197.83
			277.89		\$197.83
Total Fiscal Year 2017 Payroll Direct Costs:			423.53		\$301.51
Total Fiscal Year 2017:			423.53		\$301.51

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
CHAFFINS, RANDALL	2018	24	52.92	82.36%	43.58
			52.92		\$43.58
ERTEP, SERDAR	2018	20	1,257.17	82.36%	1,035.41
			1,257.17		\$1,035.41
HILL, FRANKLIN	2018	24	49.54	82.36%	40.80
			49.54		\$40.80
JAIKARAN, BIANCA	2018	13	462.52	82.36%	380.93
		14	77.09	82.36%	63.49
		15	77.10	82.36%	63.50
		22	154.17	82.36%	126.97
		24	770.89	82.36%	634.91
			1,541.77		\$1,269.80
JOHNSON, DORA	2018	26	135.53	82.36%	111.62
			135.53		\$111.62
RIVERA, FERNANDO	2018	24	145.18	82.36%	119.57
		26	72.59	82.36%	59.79
			217.77		\$179.36
Total Fiscal Year 2018 Payroll Direct Costs:			3,254.70		\$2,680.57

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

TRAVEL DIRECT COSTS

<u>Traveler/Vendor Name</u>	<u>Travel Number</u>	<u>Treasury Schedule Date</u>	<u>Travel Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
ERTEP, SERDAR	TAA061M6	07/06/2018	127.50	82.36%	105.01
			228.67	82.36%	188.34
			356.17		\$293.35
Total Fiscal Year 2018 Travel Direct Costs:			356.17		\$293.35

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPS41501	39	09/14/2018	394.21	0.00	82.36%	324.67
			394.21	0.00		\$324.67
Total Fiscal Year 2018 Other Direct Costs:			394.21	0.00		\$324.67
Total Fiscal Year 2018:			4,005.08			\$3,298.59

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
BATES, LLOYD	2019	06	152.87	82.36%	125.90
			152.87		\$125.90
BOOTH, JASON	2019	05	5,234.60	82.36%	4,311.22
		06	4,920.50	82.36%	4,052.52
		12	2,836.79	82.36%	2,336.38
		13	3,371.46	82.36%	2,776.73
		14	3,001.39	82.36%	2,471.94
		15	3,001.32	82.36%	2,471.89

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
BOOTH, JASON	2019	16	2,946.84	82.36%	2,427.02
		17	3,029.53	82.36%	2,495.12
			<u>28,342.43</u>		<u>\$23,342.82</u>
COLEMAN, KERISA	2019	12	123.77	82.36%	101.94
			<u>123.77</u>		<u>\$101.94</u>
CROWNOVER, REBECCA	2019	18	27.46	82.36%	22.62
		21	27.50	82.36%	22.65
		24	28.13	82.36%	23.17
			<u>83.09</u>		<u>\$68.44</u>
ERTEP, SERDAR	2019	02	630.02	82.36%	518.88
		11	3,193.82	82.36%	2,630.43
		12	2,555.12	82.36%	2,104.40
			<u>6,378.96</u>		<u>\$5,253.71</u>
JOHNSON, DORA	2019	01	58.05	82.36%	47.81
		06	77.37	82.36%	63.72
		10	19.62	82.36%	16.16
		18	78.67	82.36%	64.79
		21	78.75	82.36%	64.86
		24	275.38	82.36%	226.80
			<u>587.84</u>		<u>\$484.14</u>
JONES, SYLVIA	2019	04	73.11	82.36%	60.21
		14	18.60	82.36%	15.32
		17	18.60	82.36%	15.32
		18	37.20	82.36%	30.64
		23	18.60	82.36%	15.32

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
JONES, SYLVIA	2019	25	37.20	82.36%	30.64
		27	37.20	82.36%	30.64
			240.51		\$198.09

Total Fiscal Year 2019 Payroll Direct Costs:

35,909.47

\$29,575.04

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPS41501	40R	10/03/2018	810.91	0.00	82.36%	667.87
	45	02/05/2019	8,174.44	0.00	82.36%	6,732.47
	46	02/27/2019	2,464.31	0.00	82.36%	2,029.61
			22,243.14	0.00	82.36%	18,319.45
	48	04/15/2019	2,728.02	0.00	82.36%	2,246.80
	49R	05/20/2019	21,036.59	0.00	82.36%	17,325.74
	50	06/10/2019	2,876.28	0.00	82.36%	2,368.90
	51	07/08/2019	3,676.66	0.00	82.36%	3,028.10
	52	08/09/2019	2,896.03	0.00	82.36%	2,385.17
	53	09/12/2019	4,431.88	0.00	82.36%	3,650.10
			71,338.26	0.00		\$58,754.21
EPS41503	24521-01	02/11/2019	104,223.43	0.00	82.36%	85,838.42
	24521-02	03/28/2019	207,677.80	0.00	82.36%	171,043.44
	24521-03	04/30/2019	215,571.83	0.00	82.36%	177,544.96
	24521-04	06/06/2019	29,353.81	0.00	82.36%	24,175.80
	24521-05	07/23/2019	4,685.89	0.00	82.36%	3,859.30

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

OTHER DIRECT COSTS

<u>Contract, IAG, SCA, Misc.NO</u>	<u>Voucher Number</u>	<u>Treasury Schedule Date</u>	<u>Site Amount</u>	<u>Annual/SMO Allocation Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
EPS41503	24521-06	08/29/2019	4,230.63	0.00	82.36%	3,484.35
			565,743.39	0.00		\$465,946.27
Total Fiscal Year 2019 Other Direct Costs:			637,081.65	0.00		\$524,700.48
Total Fiscal Year 2019:			672,991.12			\$554,275.52

PAYROLL DIRECT COSTS

<u>Employee Name</u>	<u>Fiscal Year</u>	<u>Pay Period</u>	<u>Payroll Costs</u>	<u>Ind. Rate (%)</u>	<u>Indirect Costs</u>
BOOTH, JASON	2020	06	2,722.00	82.36%	2,241.84
			2,722.00		\$2,241.84
CROWNOVER, REBECCA	2020	01	28.13	82.36%	23.17
		03	28.59	82.36%	23.55
			56.72		\$46.72
JOHNSON, DORA	2020	01	78.69	82.36%	64.81
			78.69		\$64.81
JONES, SYLVIA	2020	04	75.69	82.36%	62.34
			75.69		\$62.34
Total Fiscal Year 2020 Payroll Direct Costs:			2,933.10		\$2,415.71

Reconciliation Pending

EPA Indirect Costs

WELCH GROUP ENVIRONMENTAL BELTON, ANDERSON, SC SITE ID = B4 E7

Costs from 10/01/1980 to 01/27/2020

OTHER DIRECT COSTS

Contract, IAG, SCA, Misc.NO	Voucher Number	Treasury Schedule Date	Site Amount	Annual/SMO Allocation Costs	Ind. Rate (%)	Indirect Costs
EPS41501	54	10/15/2019	1,430.24	0.00	82.36%	1,177.95
	55	11/18/2019	1,251.46	0.00	82.36%	1,030.70
			2,681.70	0.00		\$2,208.65
EPS41503	24521-07	10/08/2019	107.63	0.00	82.36%	88.64
	24521-08	11/20/2019	1,800.49	0.00	82.36%	1,482.88
			1,908.12	0.00		\$1,571.52
Total Fiscal Year 2020 Other Direct Costs:			4,589.82	0.00		\$3,780.17
Total Fiscal Year 2020:			7,522.92			\$6,195.88
Total EPA Indirect Costs						\$581,690.25

comments should be received in the SAB Staff Office at least one week prior to the meeting date so that the comments may be made available to the committee for their consideration. Comments should be supplied to the appropriate DFO at the address/contact information noted above in the following formats: one hard copy with original signature, and one electronic copy via e-mail (acceptable file format: WordPerfect, Word, or Rich Text files (in IBM-PC/Windows 95/98 format)). Those providing written comments and who attend the meeting are also asked to bring 35 copies of their comments for public distribution.

Meeting Access

Individuals requiring special accommodation at this meeting, including wheelchair access to the conference room, should contact the DFO at least five business days prior to the meeting so that appropriate arrangements can be made.

Dated: May 26, 2000.

Donald G. Barnes,

Staff Director, Science Advisory Board.

[FR Doc. 00-13847 Filed 6-1-00; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[FRL-6708-8]

Guidance on Exercising CERCLA Enforcement Discretion in Anticipation of Full Cost Accounting Consistent With the "Statement of Federal Financial Accounting Standards No. 4"

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The EPA Office of Enforcement and Compliance Assurance, Office of Site Remediation Enforcement is providing guidance to its regional components on the exercise of enforcement discretion, from May 30, 2000 through October 2, 2000, in anticipation of EPA's implementation of full cost accounting.

Attachments 1 and 2 were prepared by the Office of the Chief Financial Officer. They describe the reasons for full cost accounting and the methodology being used to implement full cost accounting.

EFFECTIVE DATE: May 30, 2000.

FOR FURTHER INFORMATION CONTACT: Chad Littleton, Office of Enforcement and Compliance Assurance, Office of Site Remediation Enforcement, U.S. EPA, 1200 Pennsylvania Ave., NW,

Washington, DC 20460 (MC 2273A); e-mail: littleton.chad@epa.gov; phone: (202) 564-6064.

SUPPLEMENTARY INFORMATION:

Memorandum

Subject: Guidance on Exercising CERCLA Enforcement Discretion In Anticipation of Full Cost Accounting Consistent with the *Statement of Federal Financial Accounting Standards No. 4*

From: Steven A. Herman, Assistant Administrator, Office of Enforcement and Compliance Assurance

To: Regional Administrators, Regions I-X
Deputy Regional Administrators, Regions I-X
Regional Counsel, Regions I-X
Superfund Division Directors, Regions I-X

This memorandum provides guidance to EPA personnel on how to exercise enforcement discretion as it relates to upcoming changes in EPA's indirect cost accounting methodology.

A. Upcoming Revisions to Indirect Cost Accounting

EPA's Office of the Chief Financial Officer (OCFO) recently announced that it is revising the Agency's methodology for allocating indirect costs to Superfund sites. These steps will bring Superfund into compliance with cost accounting standards issued by the Federal Accounting Standards Advisory Board (FASAB) on July 31, 1995, (*Statement of Federal Financial Accounting Standards No. 4 (SFFAS No. 4)*).¹ The principal goal of those standards is to make it possible for Federal agencies to determine and report the true costs of their programs and activities. The Federal Financial Management Improvement Act of 1996 (Title VIII, Public Law 104-208)² requires all Federal agencies to develop and use cost accounting methodologies that are consistent with the SFFAS No. 4 and other applicable standards.³

¹ Available as *SFFAS 4* at www.financenet.gov/financenet/fed/fasab/concepts.htm.

² Available from the 104th Congress catalog at www.access.gpo.gov/nara/publaw/104publ.html.

³ "(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board

A copy of the OCFO memorandum announcing and describing EPA's implementation of an accounting methodology complying with the SFFAS No. 4 is attached for your reference (Attachment 1). That memorandum describes important background events and EPA's approach to implementing the revised methodology, defines many important accounting terms as they apply to EPA, lists preliminary estimated regional indirect rates based on the revised methodology, and states that OCFO will calculate actual indirect costs rates using the revised methodology (hereinafter "revised rates" or "revised indirect rates") for all fiscal years after 1989. The OCFO expects the revised rates to be completed and issued by October 2, 2000, at which time EPA will begin using the revised rates.

B. The Revised Rates and Superfund Site Costs

As described more fully in the attached OCFO memorandum, direct costs are costs an organization incurs when it produces a specific result. Most of the other costs of running the organization are indirect costs. EPA's current indirect cost accounting methodology allocates to Superfund sites only about one-third of the indirect costs that are incurred by EPA and properly allocable to sites. SFFAS No. 4 requires "full cost accounting," which means that Superfund indirect costs must be allocated to sites. For that reason, implementing an indirect cost methodology based on SFFAS No. 4 will increase the aggregate amount of indirect costs allocated to sites.

The effect of applying the revised rates will vary from site to site because the SFFAS-compliant methodology and the current methodology use different techniques for allocating indirect costs to individual sites. The SFFAS-compliant methodology allocates

(hereinafter referred to as the "FASAB") has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASAB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decision making by financial managers and the Congress." (*Public Law 104-208*, 110 STAT 3009-389-390).

"Each agency shall implement and maintain financial management systems that comply substantially with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level." (*Id.*)

indirect costs in proportion to direct costs, whereas the current methodology uses the number of Superfund staff hours charged to a site. As a result, sites with large direct Federal expenditures compared to the number of Superfund staff hours will generally see the largest indirect cost increases, and few if any decreases. Sites with smaller Federal expenditures compared to the number of Superfund staff hours, such as sites cleaned up by potentially responsible parties (PRPs) where EPA's costs are largely for oversight performed by EPA staff, will generally see smaller indirect cost increases, and are also more likely to see decreases.

C. Enforcement Discretion as It Relates to the Revised Indirect Rates

As noted above, the OCFO expects the revised rates to be available on October 2, 2000, and will begin using them as soon as they are issued. In general this means that after October 2, 2000, site costs, including oversight costs, will be calculated using the revised rates. The following sections address areas of particular enforcement interest and describe how the Agency intends to exercise its enforcement discretion in individual cases to provide a fair and efficient transition to the revised accounting methodology.

1. Concluded Matters

EPA has previously settled or litigated numerous claims for past response costs. The costs EPA sought in those cases included indirect costs based on the current rates. EPA recognizes the importance of repose and finality in those cases and therefore the Agency has no plans to re-open any concluded matters to apply the revised rates to claims for past costs that were presented and resolved in those matters. This includes consent decrees, litigated judgments and administrative orders on consent. It also includes ceilings established in settlements and judgments for oversight or other response costs that the Agency can bill to PRPs under those existing settlements or judgments.

2. Oversight Billings

The Agency has no plans to recompute oversight bills that were prepared and sent to PRPs before the revised rates are issued.

3. Claims in Litigation Prior to October 2, 2000

When EPA issues the revised indirect rates there will be a number of cost recovery cases pending in Federal courts. The past costs EPA is seeking in those cases will have been calculated

using the current indirect rates. There may be special circumstances in those cases, especially if the litigation is at an advanced stage, that cause the case team to decide not to seek to amend the claim by applying the revised indirect rates. An example might be certain cases in which costs have already been presented to the court and the parties are awaiting the court's decision. These decisions will be made by the EPA/Department of Justice (DOJ) case team on a case-by-case basis. This approach is intended to be consistent with prior practice (*See, Policy on Recovering Indirect Costs in CERCLA Section 107 Cost Recovery Actions*, OSWER Directive 9832.5, June 27, 1986) (superseded by this guidance).

4. Interim Settlement Policy in Anticipation of the Revised Rates

This memorandum gives advance notice of the revised rates. One purpose of the advance notice is to provide PRPs who have unresolved cost recovery liabilities an opportunity to settle with the United States at the current rates. For sites where the revised rates would result in higher indirect costs, it may be advantageous for the PRPs to settle with the United States under the current rates. Therefore, until the revised rates are issued, which the OCFO expects to occur on October 2, 2000, the Agency will entertain settlement offers resolving the claims of the United States for CERCLA response costs based on the current indirect rates.

Generally, the Agency will consider a settlement offer based on site costs computed using the current indirect cost rates, if: (1) The offer is made prior to October 1, 2000; (2) the Agency determines, in its sole discretion, that there is sufficient information available on which to base a settlement decision; and (3) it appears to the Agency that the offer is likely to lead to an executed final settlement by March 30, 2001. For cases in litigation or that have been referred to DOJ, the DOJ/EPA case teams will determine the appropriate response to any settlement offer. For all other matters, regional case teams will determine the appropriate response to any settlement offer. Case teams may set alternative milestone dates for any individual PRP or site, if appropriate, based on PRP-specific or site-specific circumstances after consultation with the Regional Support Division (RSD) in the Office of Site Remediation Enforcement (OSRE).

After such an offer has been received, if settlement negotiations are unproductive or it becomes evident that the applicable milestone dates have not been met, or are not likely to be met, the

Agency may, at its sole discretion, withdraw the opportunity to enter a settlement based on the current rates.

D. Proving Indirect Costs

Implementing the SFFAS accounting methodology will not alter the burden of proof that the Agency must meet when seeking recovery of indirect costs. EPA will continue to provide evidence acceptable in a court of law to prove that the indirect costs sought are allocable to the site that is the subject of the enforcement action.

E. National Consistency/Coordination

Except for the specific transition related adjustments noted above, existing policy and guidance applicable to considering or accepting settlement offers is unchanged. Implementing the revised indirect rates will not affect the discretion of the Agency or DOJ to settle or compromise cost recovery claims, including those cases where costs are based on the revised rates. Litigation risk, equitable considerations, and other factors that are considered in determining whether to settle or compromise claims may still be taken into account. As always, EPA will exercise its discretion to ensure that any resulting settlements are fair, reasonable, and consistent with CERCLA.

When EPA begins using the revised rates, we expect that the Agency will face questions about matters associated with the transition to the revised rates. EPA has a substantial interest in promoting a nationally consistent approach during this transition period. Therefore, I have asked the RSD to monitor EPA's implementation of the revised indirect rates. I also ask each regional office to designate a point of contact to assist RSD in our effort to quickly resolve key questions about EPA's use of the revised rates, and to promote national consistency among the regional offices. Please send the name and telephone number of your workgroup member to Maria Cintron-Silva, RSD, no later than three weeks after the date of this memorandum. Workgroup contacts will be expected to provide information regarding each of the offers received and their dispositions. For questions about this memorandum and OECA's implementation of the revised rates, please contact Chad Littleton, in the Office of Site Remediation Enforcement, at 202-564-6064.

Attachments

Dated: May 26, 2000.

Steven A. Herman,
Assistant Administrator, Office of
Enforcement and Compliance Assurance.

Memorandum

Subject: Accounting for Indirect Costs
Associated with Superfund Site-
Specific Activities
From: Joseph Dillon, Acting Comptroller
(2731)
To: Senior Resource Officials

This Policy Announcement provides the policies and procedures for implementing Statement of Federal Financial Accounting Standards (SFFAS) No. 4, Managerial Cost Accounting Standards for the Federal Government, for the Superfund Site Cleanup Program by providing a revised indirect cost methodology. This methodology along with existing policies and procedures regarding direct costs results in accounting for the "full costs" of actions taken at or in connection with Superfund Sites.

Background

The Office of Management and Budget (OMB) issued SFFAS No. 4 on July 31, 1995, with an effective date of October 1, 1997. SFFAS No. 4 requires federal agencies to determine the full cost of their outputs (programs). The full cost of programs includes both those costs specifically identifiable with each particular program, or direct costs, and those costs which collectively support the many programs, or indirect costs.

Since 1985, EPA has been identifying the indirect costs associated with Superfund site-specific activities for all fiscal years after 1982. However, the indirect cost methodology developed at that time was conservative and did not result in allocating all indirect costs to sites. As a result, the General Accounting Office, the EPA Office of Inspector General, OMB and Congress have repeatedly criticized EPA's methodology. The Office of the Chief Financial Officer (OCFO) has developed an indirect cost methodology to compute indirect cost rates for Superfund site-specific activities in accordance with SFFAS No. 4. By incorporating the resulting indirect cost rates into their analyses, Superfund Managers will be able to compute the full cost of their program.

Policy and Procedures

The OCFO has developed a Superfund indirect cost methodology based upon full cost accounting concepts. Using that new methodology, OCFO is presently calculating and will

issue indirect cost rates based upon the full cost accounting methodology ("revised rates"). The OCFO will issue revised rates for each Fiscal Year, by Region beginning with FY 1990. The revised rates will be issued after the date of this Policy Announcement and are expected to be completed and issued by October 2, 2000. Once the revised rates are issued, Superfund managers should use the revised rates to determine the full cost of Superfund site specific activities. In the meantime, EPA Superfund program managers may use the preliminary, estimated indirect cost rates identified in Attachment 1 as the basis for estimating the full cost of Superfund site-specific activities.

Beginning with FY 2001, the Agency will no longer compute nor issue, as provisional or final, indirect cost rates based upon the earlier Ernst & Whinney methodology.

A brief description of the full cost methodology is as follows: EPA's annual costs are analyzed to determine whether the costs represent general Agency or Regional support activities, program support activities, or program direct costs. Those general Agency support activities and the Superfund program support activities are included in calculations that allocate these costs to programs and produce a Superfund indirect cost pool for each region. Each Region's indirect cost pool, including appropriate Regional support costs, is divided by the Region's direct costs incurred for site-specific activities to determine the Region's indirect cost rate for the fiscal year, which is expressed as a percentage of direct site costs. The Region's indirect cost rate is multiplied against the direct costs incurred for a particular Superfund site to determine the amount of indirect costs that will be allocated to that site. By adding the direct site costs and the indirect costs allocated to a particular site, or group of sites, the total cost for that site or group of sites is determined.

For a more detailed description of the Superfund Indirect Cost Rate Methodology, please refer to Attachment 1.

Effective Date

OCFO expects to complete and issue the new Superfund Full Indirect Cost Rates by October 2, 2000, at which time they will be effective for all accounting purposes.

Additional Information

If you need further information on this Policy Announcement, please contact Charles Young of the Program and Cost Accounting Branch, Financial

Management Division at (202) 564-4914.

Attachment 2**Superfund Full Cost Indirect Cost Rate Methodology****Background**

OMB, the Secretary of the Treasury and the Comptroller General established the Federal Accounting Standards Advisory Board (FASAB) in October 1990 to set Federal Government Accounting Standards. In September 1993, the Vice President in his report on the National Performance Review recommended an action which required the FASAB to issue a set of cost accounting standards for all federal agencies. FASAB issued the Statement of Federal Financial Accounting Standards (SFFAS) No. 4, Managerial Cost Accounting Concepts and Standards for the Federal Government on July 31, 1995, which became effective for EPA on October 1, 1997. Title VIII of the Federal Financial Management Improvement Act of 1996 (Title VIII, Public Law 104-208) requires federal agencies to comply with the Federal Financial Accounting Standards and emphasizes that agencies' systems must report the total costs of programs and activities. EPA will comply with this requirement for all the Agency's programs, based on specific needs of each program and applicable accounting requirements. The methodology described in this Policy Announcement applies to EPA's Superfund site-specific activities as set forth below.

SFFAS No. 4 sets forth five fundamental elements of managerial cost accounting to provide information on the cost of federal programs. One of those elements is to determine the full cost of government goods and services. According to the Standard, full cost includes both direct and indirect costs. Direct costs are defined as "costs that can be specifically identified with an output." Indirect costs are costs that are common to multiple outputs but cannot be specifically identified with any particular output. In the context of the Superfund program, direct costs include those that are directly incurred by the United States for site-specific activities performed at or in connection with a particular site or a particular group of sites. Site-specific activities include the assessment, investigation and clean-up of a site, ancillary site-associated activities, and related enforcement actions. Indirect costs are those that support the Superfund program as a whole and cannot be identified to any one site or other "output" of the

program. The government's full cost at a Superfund site consists of the direct costs incurred for site-specific activities and the proportionate share of all the costs that provide indirect support to the site.

In 1985, EPA, with the assistance of the accounting firm Ernst & Whinney, developed an indirect rate methodology for determining the government's cost of site-specific activities under CERCLA. The indirect rates developed were conservative. As a result of the conservative methodology, a substantial portion of the indirect cost pool was not allocated to individual Superfund sites, even though site-specific activities are the direct output that the indirect costs support. As a result, the General Accounting Office (GAO), the EPA Office of Inspector General (OIG), OMB and Congress have repeatedly criticized the methodology for failing to identify the full cost of Superfund site clean-ups and therefore failing to allow potential recovery of all indirect costs. The OIG considered this method of recovering less than full overhead costs as a Federal Manager Financial Integrity Act (FMFIA) "material weakness" and suggested the Agency identify it as such.

EPA has revised the Superfund indirect cost methodology to enable the Agency to report the full cost of the program in compliance with SFFAS No. 4 and with other federal mandates requiring the reporting of cost information. During the preparation of the revised methodology, EPA sought separate independent reviews of the methodology by both GAO and the national accounting firm KPMG. KPMG found the revised methodology in compliance with SFFAS No. 4, as well as "easier to understand, more thorough and more complete than the previous methodology." GAO reviewed the revised methodology and found "that the design of EPA's proposed Superfund indirect cost methodology complies with cost accounting standards for federal government" as well as the requirements of SFFAS No. 4.

Approach

EPA's approach to developing a full cost indirect cost methodology for Superfund is based on the guidance provided by SFFAS No. 4. In addition, certain other factors are also taken into account. These include the nature and classification of Agency costs, private sector cost accounting practices and the cost/benefit of obtaining the data necessary to compute indirect cost rates. Indirect cost rates will be developed for each region and each Fiscal Year beginning with FY 1990. We are beginning with FY 1990 because active

Superfund sites have costs incurred in prior years generally no earlier than FY 1990, with limited exceptions. Thus, computing full cost indirect rates back to FY 1990 will allow Superfund managers to determine the full cost of site-specific activities for nearly all active sites, while going back before FY 1990 would be of primarily historic interest. Therefore, we consider it most cost effective to compute rates no further back than 1990; if managers need indirect cost information for years prior to 1990, the rates computed using the current methodology may be used for those earlier years. Use of the revised indirect cost rates will provide Superfund managers, other EPA management and Congress with the full cost of Superfund site-specific activities.

The current Superfund indirect cost methodology uses indirect rates which are expressed as a rate per hour of labor effort. This rate is computed using a base consisting of all labor hours (including both site and non-site labor), but is applied to only site labor hours. This results in an under-allocation of indirect costs. This approach, although acceptable from an accounting standpoint, is conservative in its allocation of indirect costs to individual sites and led to the criticisms noted above. The principal conceptual change the Agency will make as it moves to full cost accounting in compliance with SFFAS No. 4 with respect to Superfund site-specific activities, is to ensure that indirect costs that support site clean-up are fully allocated to site charges. In order to do so, EPA will allocate the appropriate indirect cost pool using total direct site costs as an allocation base. This will result in indirect cost rates expressed as a percentage of total direct site costs rather than a dollar rate per hour as is the current method. The change in the allocation base is the most important difference between the full cost accounting methodology and the prior methodology, with only minor changes to the indirect cost pool (further described below). The indirect cost pool identified for calculation of the new indirect cost rate will reflect only those costs which are appropriately allocable to and support the Superfund site-specific activities.

In determining the indirect costs associated with the Superfund program, certain costs funded from non-Superfund appropriations are included as indirect costs because they provide services that benefit the Superfund program and are necessary to reflect full cost. SFFAS No. 4 states that one of the components of full cost is the "cost of support services provided by other responsibility segments * * * and by

other reporting entities." We include other appropriations because our approach determines the allocability of indirect costs according to the organizational unit that provides the support services regardless of which appropriation has been charged with the costs. We begin with the total costs of organizational units and then allocate these costs to all units receiving support services.

Not all appropriations, however, are included as indirect costs. For example, charges under the Oil Spill appropriation are not included. Oil Spill disbursements support only the Oil Spill program and should not be allocated to other programs. State and Tribal Assistance Grants appropriations are also excluded. These are grants to states, local and tribal governments which fund a variety of environmental programs and infrastructure projects pertaining to water quality initiatives. Funding under the Science and Technology appropriation is excluded. These funds support research and development initiatives. The treatment of research and development costs is discussed under the section on direct costs. The programs funded by the appropriations listed above are considered to be separate from Superfund and have their own outputs. These appropriations do not include any indirect costs that are allocable to the Superfund program.

As explained below under Exclusions from the Pool, costs associated with certain organizational units are also removed from the indirect cost pool depending on their relationship to the Superfund program.

The concept of full cost, according to the Standard, also requires that inter-entity costs or the costs of services received from other entities be recognized. Costs of employee benefits funded by the Office of Personnel Management (OPM) are considered inter-entity costs and will be included as indirect costs. Because methodologies to estimate the costs of services received from federal agencies other than OPM are still under development, these costs are not included in the indirect cost pool at this time.

The methodology for determining indirect costs allocable to Superfund site-specific activities is patterned after private sector models that group costs according to levels of organization and benefit. Indirect costs are classified hierarchically. At the highest level are Agency-wide costs, *i.e.*, national costs which benefit all organizations. Examples of these are facilities management, budget functions, human resource management, and OPM inter-

entity costs. The next level incorporates regional costs which benefit each of the Agency's ten regions. These are general costs which are essentially counterparts of national costs but benefit regions only. Examples include the costs of regional administration, support, and policy and planning functions. Superfund program management costs comprise the next two levels. These are the support costs incurred at both headquarters and regions to implement Superfund site-specific activities. Costs from each of these four levels form the basis of the indirect cost pool. The final product—separate indirect cost rates for each of EPA's ten regions—will be expressed as a percentage of direct (site-specific) costs for each region.

Direct Costs

In determining the direct costs of the Superfund program, we use SFFAS No. 4's definition of direct costs. However, the direct costs of the Superfund program as a whole, are not necessarily synonymous with the direct costs of Superfund site-specific activities. Superfund site-specific activity is one component of the Superfund program.

Site-Specific Costs

The major component of Superfund direct costs is the costs of site-specific activities, *i.e.* the cost of all activities that go toward the assessment, investigation and actual clean up of a site, related enforcement actions, and other site-associated activities. Examples include, but are not limited to, the costs of salaries and benefits of employees who work directly at the site or provide other site-related effort, contractor costs of removal or remedial activities, and analytical work performed for the site.

Certain other Superfund-related costs are also considered direct costs, although they may or may not be associated with site-specific activities. These costs are described in the next several paragraphs.

ZZ Costs

"ZZ" costs are expenses incurred for site work before a site is established as a Superfund site and assigned a site-specific identifier. If a site-specific identifier is established, the ZZ costs incurred in connection with the site are reclassified to that site-specific identifier. If reclassified, they become part of direct site-specific costs, but for purposes of the indirect rate calculation, ZZ costs are reclassified as direct costs even if not reclassified.

R&D Costs

Research and Development (R&D) costs are treated as direct costs. All costs incurred within the Office of Research and Development, a separate and distinct organizational unit within the Agency, are excluded from the indirect cost pool. Research and Development costs are considered to be directly incurred for production of R&D outputs. Superfund-related research and development costs are mainly related to the Superfund Innovative Technology (SITE) program. This program evaluates the application of emerging remediation technologies.

NIEHS Costs

Costs associated with the National Institute of Environmental Health Sciences (NIEHS) interagency agreement (IAG) are treated as direct costs. This indirect cost methodology is designed to determine the indirect costs that support Superfund site-specific activities. Therefore NIEHS costs are excluded in their entirety from the indirect cost pool.

OSWER Immediate Office Program Area Costs

Costs associated with certain offices within the Office of Solid Waste and Emergency Response (OSWER) Immediate Office are treated as direct costs. Although these costs are related to the Superfund program and are direct costs of the functions they perform, they are not allocable to Superfund site-specific activities and so are not included in the indirect cost pool for site-specific response costs. For example, the Chemical Emergency Preparedness and Prevention Office (CEPPO), which reports directly to the OSWER Assistant Administrator, implements Agency-wide chemical emergency preparedness and prevention programs. The costs connected with Federal Facilities activities, whether within OSWER or OECA, as well as the costs of activities associated with Brownfields and the Emergency Planning and Community Right-to-know Act, are also considered direct and thus excluded from the indirect cost pool.

Indirect Cost Pool

The indirect cost pool consists of all costs classified as indirect for all appropriations that fund administrative, management and support functions. The pool includes Superfund non-site-specific costs that provide support to Superfund site-specific activities and the other direct Superfund activities. The indirect cost pool includes the non-site portion of: Personnel compensation and benefits, travel, rent,

communications, utilities, contracted services, materials and supplies costs. Depreciation and inter-entity costs are also included. The major organizational units contributing costs to the indirect cost pool are described below.

EPA headquarters organizations providing services on an Agency-wide or national basis include the Office of the Administrator, the Office of Administration and Resources Management (human resources, procurement, facilities), the Office of the Chief Financial Officer (Comptroller, budget, finance), the Office of Information Resources Management, the Office of Policy, Planning and Evaluation, the Office of the Inspector General and the Office of General Counsel. The ten EPA regional offices have corporate structures similar in function to those of headquarters. Each region has a regional administrator's office and offices providing general regional support services such as personnel, finance, policy and information management. Costs for these organizations comprise regional indirect costs.

Management and support costs associated with carrying out the Superfund program are another component of the indirect cost pool. These costs are incurred at both headquarters and the regions. At the headquarters level, these are the program management and support costs incurred by the Office of Solid Waste and Emergency Response (OSWER) and by the Office of Enforcement and Compliance Assurance (OECA). At the regional level, Superfund program management costs incurred by regional program divisions in support of Superfund site-specific activities are included in the indirect cost pool. Any of the offices noted above may also have Superfund site-specific charges. Those site-specific charges are subtracted from the total cost of the organization during the indirect cost computation.

The Superfund indirect cost pool, that is, the pool of indirect costs which is ultimately allocable to Superfund sites, will consist of proportionate amounts of Agency-wide, regional and program-related costs. In other words, the Superfund indirect cost pool will be comprised of only the portion of Agency-wide, regional and program-related costs which supports Superfund sites, with the remaining costs supporting all other Agency programs.

Exclusions From the Pool

Superfund non-site specific contractor costs, such as program management, that are distributed through the annual allocation process are excluded from the

indirect cost pool. Annual allocation is the process by which response action contractor non-site support costs are allocated to sites on which the contractor worked. The site-allocable portion of these contracts is removed from the pool because it is allocated to individual sites under a separate process and is treated as a portion of direct site-specific costs incurred by EPA.

Costs of organizational units that provide no direct or indirect support to Superfund are excluded. Examples include the Office of International Activities and certain organizations within the Office of the Administrator, such as the Science Advisory Board and the Office of Administrative Law Judges.

Indirect Cost Base

To properly distribute costs, the indirect cost base must reflect the services provided to each organizational recipient and finally, to the Superfund sites themselves. There are several intermediate allocations of costs, as described below, which use appropriate allocation bases. The choice of allocation base depends on the type of cost to be allocated.

Agency-wide or national indirect costs, also referred to as general and administrative (G&A) costs, are allocated using one of two allocation bases. Facilities, human resources and OPM inter-entity costs are allocated to all EPA organizations based on personnel compensation and benefits (PC&B) costs. The rationale for using PC&B costs as the allocation statistic is that these indirect costs are purely workforce-related and would not otherwise be incurred. Costs associated with other organizations providing Agency-wide benefits, such as procurement, budget, finance, information management, policy, planning, general counsel and inspector general, are distributed across the entire Agency based on total Agency costs. Depreciation will be allocated to all EPA organizations using appropriate cost accounting principles. We are in the process of gathering these costs and determining the appropriate allocation base. Depreciation costs will be incorporated into the rates as soon as possible.

The next level of indirect costs is regional costs which provide general and administrative support similar to that provided at the Agency-wide level. Regional G&A cost pools, including each region's share of national G&A, personnel and facilities costs, depreciation and inter-entity costs are distributed across the entire region based on total regional costs. This is

similar to the distribution of Agency-wide support costs across total Agency costs.

Headquarters program management and support costs incurred by OSWER and OECA must be allocated to program areas within each office of an EPA Assistant Administrator and to the regions. Program areas are designated by sub-organization or by funding vehicle such as interagency agreements which fund a particular type of activity. The allocation of headquarters program management and support costs is based on the total costs associated with each program area and region. The headquarters allocation base includes administrative and program costs from appropriations other than Superfund and Superfund site-specific and non-site-specific costs. The regional allocation base consists of regional site charges made within each office of an EPA Assistant Administrator.

The final Superfund indirect cost pool is allocated using Superfund site charges. These site charges include both headquarters and regional site charges, ZZ charges, site charges made under the Department of Justice (DOJ), Corps of Engineers, Bureau of Reclamation, etc., interagency agreements and the Superfund response contract program management costs that are allocated to sites in a separate process. EPA charges arising from mixed funding settlements are direct site costs and are also included in the indirect cost base. The charges for the Agency for Toxic Substances and Disease Registry (ATSDR) are not included in the indirect cost base because their funding mechanism—a "transfer allocation"—does not result in a charge to EPA's accounting system. Again, instead of a rate per hour as in the current methodology, the indirect cost rate will be expressed as a percentage of direct (site) costs.

Computation of Indirect Cost Rates

Data used for the indirect cost computations are obtained from the Agency's Integrated Financial Management System.

The indirect cost pool supporting Superfund site-specific activities in each region for a given fiscal year consists of proportionate shares of the following: program management and support costs incurred by relevant units of EPA headquarters (including their share of nationwide G&A); the region's G&A; and the region's non-site Superfund costs.

The computation of the indirect cost rates consists of nine steps. A detailed document more fully describing the accounting methodology employed will

be released with the calculated rates by region by fiscal year. That document will contain a detailed description of each of the nine steps. Briefly, steps 1 and 2 compute the nationwide G&A rate and step 3 computes the regional G&A rates. Steps 4 through 9 perform various allocations and refinements of costs ensuring that the regional Superfund cost pools, which are summarized in step 9, reflect only costs by region associated with Superfund site-specific activities.

Estimated Indirect Rates by Region

As noted above, the revised indirect cost rate methodology will for the first time provide information on the full costs of the outputs of Superfund site-specific activities. The process of computing rates using the full cost methodology is ongoing. As noted above, the revised rates by region by fiscal year will not be issued for several months. In the meantime, we are providing an approximation of the rates that can be used as a means to estimate the full cost of Superfund site-specific activities. These rates are based on the average of preliminary computed rates for fiscal years 1994, 1997 and 1998. It should be noted that rates for any given region may vary considerably from year to year; therefore, the final calculated rates may differ from the estimated average rates listed below.

*Estimated Rates**

(Subject to Change)

Region 1—30.0%
Region 2—30.8%
Region 3—43.6%
Region 4—48.1%
Region 5—41.6%
Region 6—29.0%
Region 7—54.4%
Region 8—35.1%
Region 9—40.9%
Region 10—38.6%

* Based on the average of preliminary rates for Fiscal Years 1994, 1997 and 1998.

The overall effect of implementing the full cost accounting methodology for Superfund indirect costs will be to increase the aggregate amount of indirect costs allocated to site-specific activities. As compared to indirect costs allocated using the current methodology, the indirect costs allocated to individual sites may increase or decrease, depending on a number of factors, and will not be known with certainty until all the rates are computed. The estimated rates provided above, however, may be used to predict generally the amount of indirect costs to be allocated to a particular site using the full cost accounting methodology.

To apply these rates to an individual site, identify the total direct site-specific costs of that site (including any DOJ costs but excluding any ATSDR costs) and multiply that total by the appropriate region's indirect cost rate. If you have total site costs including indirect costs using the current labor hours-based rates, total direct site-specific costs consists of the total site costs minus the previously-assessed indirect costs. Adding the direct site-specific costs and the indirect costs calculated under the new methodology will result in the full cost of that site.

[FR Doc. 00-13845 Filed 6-1-00; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL COMMUNICATIONS COMMISSION

Public Information Collections Approved by Office of Management and Budget

May 25, 2000.

The Federal Communications Commission (FCC) has received Office of Management and Budget (OMB) approval for the following public information collections pursuant to the Paperwork Reduction Act of 1995, Public Law 104-13. An agency may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid control number. For further information contact Shoko B. Hair, Federal Communications Commission, (202) 418-1379.

Federal Communications Commission

OMB Control No.: 3060-0927.

Expiration Date: 05/31/2003.

Title: Auditor's Annual Independence and Objectivity Certification.

Form No.: N/A.

Respondents: Business or other for profit.

Estimated Annual Burden: 7 respondents; 10 hours per response (avg). 70 total annual burden hours.

Estimated Annual Reporting and Recordkeeping Cost Burden: \$0.

Frequency of Response: On occasion; Annually.

Description: The Responsible Accounting Officer Letter (RAO) 28, released December 1, 1999 requires that carriers' independent auditors disclose in writing all relationships between the auditor and its related entities and the carrier and its related entities that in the auditor's professional judgment may reasonably be thought to bear on independence; confirm in writing in its professional judgment it is independent of the carrier; and discuss the auditor's

independence. The information will be used to determine whether the auditors are performing their audits independently and unbiased of the carrier they audit. Obligation to respond: Mandatory.

OMB Control No.: 3060-0514.

Expiration Date: 05/31/2003.

Title: Section 43.21(b)—Holding Company Annual Report.

Form No.: N/A.

Respondents: Business or other for-profit.

Estimated Annual Burden: 20 respondents; 1 hour per response (avg.); 20 total annual burden hours.

Estimated Annual Reporting and Recordkeeping Cost Burden: \$0.

Frequency of Response: Annually.

Description: The SEC 10K Form is needed from holding companies of communications common carriers to provide the Commission with the data required to fulfill its regulatory responsibilities and by the public in analyzing the industry. Selected information is compiled and published in the Commission's annual common carrier statistical publication. Obligation to respond: Mandatory.

OMB Control No.: 3060-0894.

Expiration Date: 05/31/2003.

Title: Certification Letter Accounting for Receipt of Federal Support, CC Docket Nos. 96-45 and 96-262.

Form No.: N/A.

Respondents: State, Local or Tribal Government.

Estimated Annual Burden: 51 respondents; 3 hours per response (avg.); 153 total annual burden hours.

Estimated Annual Reporting and Recordkeeping Cost Burden: \$0.

Frequency of Response: On occasion; Annually.

Description: The Commission requires states to certify that carriers within the state had accounted for its receipt of federal support in its rates or otherwise used the support pursuant with Section 254(e). A state may file a supplemental certification for carriers not subject to the state's annual certification. This information will be used to show that federal high-cost support is being provided to the carrier to assist in keeping rates affordable in those subscribers' area. Further, the collection of information will be used to certify that the carriers have accounted for its receipt of federal support in its rates or otherwise used the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended in accordance with section 254(e). Obligation to respond: Required to obtain or retain benefits.

OMB Control No.: 3060-0755.

Expiration Date: 05/31/2003.

Title: 47 CFR Sections 59.1-59.4—Infrastructure Sharing.

Form No.: N/A.

Respondents: Business or other for-profit.

Estimated Annual Burden: 75 respondents; 31 hours per response (avg.); 2325 total annual burden hours.

Estimated Annual Reporting and Recordkeeping Cost Burden: \$0.

Frequency of Response: On occasion; Third party disclosure.

Description: In CC Docket No. 96-237, the Commission implemented the infrastructure sharing provisions of the Communications Act of 1934, as amended. Section 259 requires incumbent LECs to file any arrangements showing the conditions under which they share infrastructure. See also 47 CFR Section 59.2. (No. of respondents: 75; hours per response: 15; total annual burden: 375 hours). Section 259 also requires incumbent LECs to provide information on deployments of new services and equipment to qualifying carriers. See also 47 CFR Section 59.3 (No. of respondents: 75; hours per response: 24 hours; total annual burden: 1800 hours). The Commission requires incumbent LECs to provide 60-day notices prior to terminating section 259 agreements. See 47 CFR Section 59.2. (No. of respondents: 75; hours per response: 2 hours; total annual burden: 150 hours). The information collected under the requirement that incumbent LECs file any tariffs, contracts or other arrangements for infrastructure sharing would be made available for public inspection. The information collected under the requirement that incumbent LECs provide timely information on planned deployments of new services and equipment would be provided to third parties. The information collected under the requirement that providing incumbent LECs furnish sixty days notice prior to termination of a section 259 sharing agreement would be provided to third parties to protect customers from sudden changes in services. Obligation to respond: Mandatory.

OMB Control No.: 3060-0933.

Expiration Date: 11/30/2000.

Title: Community Broadband Deployment Database Reporting Form. *Form No.:* FCC Form 460.

Respondents: Not-for-profit institutions; Federal Government; State, Local or Tribal Government.

Estimated Annual Burden: 30 respondents; .25 hours per response (avg.); 7 total annual burden hours.

Estimated Annual Reporting and Recordkeeping Cost Burden: \$0.

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 4

IN THE MATTER OF:
Welch Group Environmental Belton
Anderson, Anderson County, South Carolina

ADMINISTRATIVE SETTLEMENT
AGREEMENT AND ORDER ON
CONSENT FOR REMOVAL ACTION

Welch Group Environmental, LLC
Respondent;

U.S. EPA Region 4
Docket No. CERCLA-04-2011-3762

David B. Jones
Respondent.

Proceeding Under Sections 104, 106(a), 107
and 122 of the Comprehensive
Environmental Response, Compensation,
and Liability Act, as amended, 42 U.S.C. §§
9604, 9606(a), 9607 and 9622



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I. JURISDICTION AND GENERAL PROVISIONS

1. This Administrative Settlement Agreement and Order on Consent (Settlement Agreement) is entered into voluntarily by the United States Environmental Protection Agency (EPA) and Welch Group Environmental, LLC (WGE) and David B. Jones, hereafter referred to as "Respondents." This Settlement Agreement provides for the performance of a removal action by Respondents and the reimbursement of certain response costs incurred by the United States at or in connection with the "Welch Group Environmental Belton Site" (the Site) generally located at 5043 Belton Highway in Anderson, Anderson County, South Carolina 29621.

2. This Settlement Agreement is issued under the authority vested in the President of the United States by Sections 104, 106(a), 107 and 122 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9604, 9606(a), 9607 and 9622, as amended (CERCLA).

3. EPA has notified the State of South Carolina (the State) of this action pursuant to Section 106(a) of CERCLA, 42 U.S.C. § 9606(a).

4. EPA and Respondents recognize that this Settlement Agreement has been negotiated in good faith and that the actions undertaken by Respondents in accordance with this Settlement Agreement do not constitute an admission of any liability. Respondents do not admit, and retain the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of the findings of facts, conclusions of law, and determinations in Sections IV and V of this Settlement Agreement. Respondents agree to comply with and be bound by the terms of this Settlement Agreement and further agree that they will not contest the basis or validity of this Settlement Agreement or its terms.

II. PARTIES BOUND

5. This Settlement Agreement applies to and is binding upon EPA and upon Respondents and their successors and assigns. Any change in ownership or corporate status of a Respondent including, but not limited to, any transfer of assets or real or personal property shall not alter such Respondent's responsibilities under this Settlement Agreement.

6. Respondents are jointly and severally liable for carrying out all activities required by this Settlement Agreement. In the event of the insolvency or other failure of any one or more Respondents to implement the requirements of this Settlement Agreement, the remaining Respondents shall complete all such requirements.

7. Respondents shall ensure that their contractors, subcontractors, and representatives receive a copy of this Settlement Agreement and comply with this Settlement Agreement. Respondents shall be responsible for any noncompliance with this Settlement Agreement.

III. DEFINITIONS

8. Unless otherwise expressly provided in this Settlement Agreement, terms used in this Settlement Agreement which are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Settlement Agreement or in the appendices attached hereto and incorporated hereunder, the following definitions shall apply:

a. "Action Memorandum" shall mean the EPA Action Memorandum relating to the Site signed by the Regional Administrator, EPA Region 4, or his/her delegate, and all attachments thereto. The Action Memorandum is attached as Appendix D.

b. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601, *et seq.*

c. "Day" shall mean a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or Federal holiday, the period shall run until the close of business of the next working day.

d. "Effective Date" shall be the effective date of this Settlement Agreement as provided in Section XXX.

e. "EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies of the United States.

f. "SCDHEC" shall mean the South Carolina Department of Environment and Health and Environmental Control and any successor departments or agencies of the State.

g. "Future Response Costs" shall mean all costs, including, but not limited to, direct and indirect costs, that the United States incurs after the Effective Date in reviewing or developing plans, reports and other items pursuant to this Settlement Agreement, verifying the Work, or otherwise implementing, overseeing, or enforcing this Settlement Agreement, including but not limited to, payroll costs, contractor costs, travel costs, laboratory costs, the costs incurred pursuant to Paragraph 26 (costs and attorneys fees and any monies paid to secure access, including the amount of just compensation), Paragraph 36 (emergency response), and Paragraph 62 (work takeover).

h. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.

i. "National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, and any amendments thereto.

j. "Settlement Agreement" shall mean this Administrative Settlement Agreement and Order on Consent and all appendices attached hereto (listed in Section XXIX). In the event of conflict between this Settlement Agreement and any appendix, this Settlement Agreement shall control.

k. "Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral.

l. "Parties" shall mean EPA and Respondents.

m. "Past Response Costs" shall mean all costs, including, but not limited to, direct and indirect costs, that the United States paid at or in connection with the Site through the Effective Date.

n. "RCRA" shall mean the Solid Waste Disposal Act, as amended, 42 U.S.C. §§ 6901, *et seq.* (also known as the Resource Conservation and Recovery Act).

o. "Respondents" shall mean Welch Group Environmental, LLC and David B. Jones.

p. "Section" shall mean a portion of this Settlement Agreement identified by a Roman numeral.

q. "Site" shall mean the Welch Group Environmental Belton Site, encompassing approximately three (3) acres, located at 5043 Belton Highway in Belton, Anderson County, South Carolina, on which WGE operated its business, and the areal extent of any contamination.

r. "State" shall mean the State of South Carolina.

s. "Statement of Work" or "SOW" shall mean the statement of work for implementation of the removal action, as set forth in Appendix A to this Settlement Agreement, and any modifications made thereto in accordance with this Settlement Agreement.

t. "Waste Material" shall mean 1) any "hazardous substance" under Section 101(14) of CERCLA, 42 U.S.C. § 9601(14); 2) any pollutant or contaminant under Section 101(33) of CERCLA, 42 U.S.C. § 9601(33); and 3) any "solid waste" under Section 1004(27) of RCRA, 42 U.S.C. § 6903(27) that is not considered usable product.

u. "Work" shall mean all activities Respondents are required to perform under this Settlement Agreement.

IV. FINDINGS OF FACT

9. The Site is located at 5043 Belton Highway, Anderson, South Carolina 29621 and is comprised of a three acre parcel with two, one-story buildings. The Site is owned by David B. Jones and is leased to Welch Group Environmental, LLC (WGE). WGE used the Site for approximately fourteen months to conduct material separation of recovered range materials in the operation of a munitions recovery business. WGE operations involve smelting and molding of lead and other metals, such as copper, recovered from both indoor and outdoor shooting ranges across the United States. This Site is one of three locations where WGE operated in South Carolina. On December 2, 2010 the South Carolina Department of Health and Environmental Control (SCDHEC) ordered WGE to cease operations due to permit violations. WGE ceased operations.

10. On December 22, 2010, SCDHEC referred the Site to EPA Region 4. On January 31, 2011, EPA began the Removal Site Evaluation (RSE). EPA found approximately 941, 55-gallon drums of hardened salt, 66 drums of lead derived material, and several other containers of lead material. EPA surface soil samples show that high levels of lead exist at concentrations that are an imminent and substantial threat to public health and welfare.

11. Following the RSE, EPA initiated an emergency removal action. Under EPA's oversight, on February 1, 2011, WGE and David Jones began securing the Site, containing and securing open vessels/drums, segregating empty drums and scrap materials and constructing silt fencing to limit the further impact of potentially impacted surface water off-Site. The emergency removal action is transitioning into a time-critical removal action, subject to the terms of the Administrative Order on Consent.

V. CONCLUSIONS OF LAW AND DETERMINATIONS

12. Based on the Findings of Fact set forth above, and the Administrative Record supporting this removal action, EPA has determined that:

a. The Welch Group Environmental Belton Site is a "facility" as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

b. The contamination found at the Site, as identified in the Findings of Fact above, includes a "hazardous substance" as defined by Section 101(14) of CERCLA, 42 U.S.C. § 9601(14).

c. Each Respondent is a "person" as defined by Section 101(21) of CERCLA, 42 U.S.C. § 9601(21).

d. Each Respondent is a responsible party under Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and is jointly and severally liable for performance of response action and for response costs incurred and to be incurred at the Site.

i. Respondent David Jones is an "owner" of the facility, as defined by Section 101(20)(A) of CERCLA, 42 U.S.C. § 9601(20)(A), and within the meaning of Section 107(a)(1) of CERCLA, 42 U.S.C. § 9607(a)(1).

iii. Respondent Welch Group Environmental, LLC is an "operator" of the facility at the time of disposal of hazardous substances at the facility, as defined by Section 101(20)(A) of CERCLA, 42 U.S.C. § 9601(20)(A), and within the meaning of Section 107(a)(2) of CERCLA, 42 U.S.C. § 9607(a)(2).

e. The conditions described in Paragraphs 9-11 of the Findings of Fact above constitute an actual or threatened of "release" of a hazardous substance from the facility as defined by Section 101(22) of CERCLA, 42 U.S.C. § 9601(22).

f. The removal action required by this Settlement Agreement is necessary to protect the public health, welfare, or the environment and, if carried out in compliance with the terms of this Settlement Agreement, will be consistent with the NCP, as provided in Section 300.700(c)(3)(ii) of the NCP.

VI. SETTLEMENT AGREEMENT AND ORDER

Based upon the foregoing Findings of Fact, Conclusions of Law, Determinations, and the Administrative Record for this Site, it is hereby Ordered and Agreed that Respondents shall comply with all provisions of this Settlement Agreement, including, but not limited to, all attachments to this Settlement Agreement and all documents incorporated by reference into this Settlement Agreement.

VII. DESIGNATION OF CONTRACTOR, PROJECT COORDINATOR, AND ON-SCENE COORDINATOR

13. Respondents have notified EPA that Act Environmental Services (ACT) will serve as Respondents' contractor at the Site. EPA has approved the use of such contractor. Respondents shall notify EPA of the name(s) and qualification(s) of any other contractor(s) or subcontractor(s) retained to perform the Work at least five (5) days prior to commencement of such Work. EPA retains the right to disapprove of any or all of the contractors and/or subcontractors retained by Respondents. If EPA disapproves of a selected contractor, Respondents shall retain a different contractor and shall notify EPA of that contractor's name

and qualifications within five (5) days of EPA's disapproval. EPA may, at its discretion, require the proposed contractor to demonstrate compliance with ANSI/ASQC E-4-1994, "Specifications and Guidelines for Quality Systems for Environmental Data Collection and Environmental Technology Programs" (American National Standard, January 5, 1995), by submitting a copy of the proposed contractor's Quality Management Plan (QMP). The QMP should be prepared in accordance with "EPA Requirements for Quality Management Plans (QA/R-2)" (EPA/240/B0-1/002), or equivalent documentation as required by EPA.

14. Respondents have designated Mick Robarts of ACT as the Project Coordinator who shall be responsible for administration of all actions by Respondents required by this Settlement Agreement and shall submit to EPA the designated Project Coordinator's name, address, telephone number, and qualifications. To the greatest extent possible, the Project Coordinator shall be present on Site or readily available during Site work. EPA retains the right to disapprove of the designated Project Coordinator. If, at any time, EPA disapproves of the designated Project Coordinator, Respondents shall retain a different Project Coordinator and shall notify EPA of that person's name, address, telephone number, and qualifications within five (5) days following EPA's disapproval. Receipt by Respondents' Project Coordinator of any notice or communication from EPA relating to this Settlement Agreement shall constitute receipt by all Respondents.

15. EPA has designated Leo Francendese of the Emergency and Enforcement Response Branch, Region 4, as its On-Scene Coordinator (OSC). Except as otherwise provided in this Settlement Agreement, Respondents shall direct all submissions required by this Settlement Agreement to the OSC below. Submissions may be made via email.

Leo Francendese
Federal On-Scene Coordinator
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
(404) 562-8772 (work); (404) 606-2223 (cell)
francendese.leo@epa.gov

16. EPA and Respondents shall have the right, subject to Paragraph 15, to change their respective designated OSC or Project Coordinator. Respondents shall notify EPA five (5) days before such a change is made. The initial notification may be made orally, but shall be promptly followed by a written notice.

VIII. WORK TO BE PERFORMED

17. Respondents shall perform the following work to implement EPA's Action Memorandum:

- a. Develop a Site Health and Safety Plan;
- b. Provide for Site security and control access to Site;
- c. Contain and secure open vessels/drums;
- d. Implement drainage controls to prevent run off;
- e. Construct sediment/soil containment measures such as silt curtains or hay bales where appropriate;
- f. Provide for the containment and segregation of noncompatible materials and/or Waste Material;
- g. Immediately identify all usable products destined for future use and/or sale;
- h. Repackage all materials and Waste Materials that are currently in compromised containers;
- i. Remove containers and equipment that may contain Waste Material; and
- j. Provide the following plans:
 1. Waste Characterization Plan;
 2. Decontamination/Demolition Plan; and
 3. Soils Removal and Disposal Plan.

18. Work Plan and Implementation.

a. Respondents have submitted, and EPA has approved, a Work Plan for performing the removal action generally described in Paragraph 17 above. The Work Plan provides a description of, and an expeditious schedule for, the actions required by this Settlement Agreement.

b. Respondents shall implement the approved Work Plan in accordance with the schedule approved by EPA. EPA may require modification to the Work Plan as it is implemented. If EPA requires modifications to the Work Plan, Respondents shall submit a revised draft Work Plan within 10 days of receipt of EPA's notification of the required modifications. Once approved, or approved with modifications, the Work Plan, the schedule, and any subsequent modifications shall be incorporated into and become fully enforceable under this Settlement Agreement.

c. Respondents shall not commence any Work except in conformance with the terms of this Settlement Agreement.

19. Health and Safety Plan. Respondents have submitted a Health and Safety Plan, which have been reviewed by EPA to ensure the protection of the public health and safety during performance of on-Site work under this Settlement Agreement. The plan complies with all currently applicable Occupational Safety and Health Administration (OSHA) regulations found at 29 C.F.R. Part 1910, and includes contingency planning. Respondents shall implement the plan during the pendency of the removal action.

20. Quality Assurance and Sampling.

a. All sampling and analyses performed pursuant to this Settlement Agreement shall conform to EPA direction, approval, and guidance regarding sampling, quality assurance/quality control (QA/QC), data validation, and chain of custody procedures. Respondents shall ensure that the laboratory used to perform the analyses participates in a QA/QC program that complies with the appropriate EPA guidance. Respondents shall follow, as appropriate, "Quality Assurance/Quality Control Guidance for Removal Activities: Sampling QA/QC Plan and Data Validation Procedures" (OSWER Directive No. 9360.4-01, April 1, 1990), as guidance for QA/QC and sampling. Respondents shall only use laboratories that have a documented Quality System that complies with ANSI/ASQC E-4 1994, "Specifications and Guidelines for Quality Systems for Environmental Data Collection and Environmental Technology Programs" (American National Standard, January 5, 1995), and "EPA Requirements for Quality Management Plans (QA/R-2) (EPA/240/B-01/002, March 2001; reissued May 2006)," or equivalent documentation as determined by EPA. EPA may consider laboratories accredited under the National Environmental Laboratory Accreditation Program (NELAP) as meeting the Quality System requirements.

b. Upon request by EPA, Respondents shall have such a laboratory analyze samples submitted by EPA for QA monitoring. Respondents shall provide to EPA the QA/QC procedures followed by all sampling teams and laboratories performing data collection and/or analysis.

c. Upon request by EPA, Respondents shall allow EPA or its authorized representatives to take split and/or duplicate samples. Respondents shall notify EPA not less than five (5) days in advance of any sample collection activity, unless shorter notice is agreed to by EPA. EPA shall have the right to take any additional samples that EPA deems necessary. Upon request, EPA shall allow Respondents to take split or duplicate samples of any samples it takes as part of its oversight of Respondents' implementation of the Work.

21. Post-Removal Site Control. In accordance with the Work Plan schedule, or as otherwise directed by EPA, Respondents shall submit a proposal for post-removal site control consistent with Section 300.415(I) of the NCP and OSWER Directive No. 9360.2-02. Upon EPA approval, Respondents shall implement such controls and shall provide EPA with documentation of all post-removal site control arrangements.

22. Reporting.

a. Respondents shall submit a written progress report to EPA concerning actions undertaken pursuant to this Settlement Agreement every 7th day after the date of receipt of EPA's approval of the Work Plan until termination of this Settlement Agreement, unless otherwise directed in writing by the OSC. These reports shall describe all significant developments during the preceding period, including the actions performed and any problems encountered, analytical

data received during the reporting period, and the developments anticipated during the next reporting period, including a schedule of actions to be performed, anticipated problems, and planned resolutions of past or anticipated problems.

b. Respondents shall submit electronic copies of all plans, reports or other submissions required by this Settlement Agreement or any approved work plan.

c. Respondents who own or control property at the Site shall, at least 30 days prior to the conveyance of any interest in real property at the Site, give written notice to the transferee that the property is subject to this Settlement Agreement and written notice to EPA and the State of the proposed conveyance, including the name and address of the transferee. Respondents who own or control property at the Site also agree to require that their successors comply with the immediately proceeding sentence and Sections IX (Site Access) and X (Access to Information).

23. Final Report. Within sixty (60) days after completion of all Work required by this Settlement Agreement, Respondents shall submit for EPA review and approval a final report summarizing the actions taken to comply with this Settlement Agreement. The final report shall conform, at a minimum, with the requirements set forth in Section 300.165 of the NCP entitled "OSC Reports." The final report shall include a good faith estimate of total costs or a statement of actual costs incurred in complying with the Settlement Agreement, a listing of quantities and types of materials removed off-Site or handled on-Site, a discussion of removal and disposal options considered for those materials, a listing of the ultimate destination(s) of those materials, a presentation of the analytical results of all sampling and analyses performed, and accompanying appendices containing all relevant documentation generated during the removal action (e.g., manifests, invoices, bills, contracts, and permits). The final report shall also include the following certification signed by a person who supervised or directed the preparation of that report:

"Under penalty of law, I certify that to the best of my knowledge, after appropriate inquiries of all relevant persons involved in the preparation of the report, the information submitted is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

24. Off-Site Shipments.

a. Respondents shall, prior to any off-Site shipment of Waste Material from the Site to an out-of-state waste management facility, provide written notification of such shipment of Waste Material to the appropriate state environmental official in the receiving facility's state and to the On-Scene Coordinator. However, this notification requirement shall not apply to any off-Site shipments when the total volume of all such shipments will not exceed 10 cubic yards.

i. Respondents shall include in the written notification the following information: 1) the name and location of the facility to which the Waste Material is to be

shipped; 2) the type and quantity of the Waste Material to be shipped; 3) the expected schedule for the shipment of the Waste Material; and 4) the method of transportation. Respondents shall notify the state in which the planned receiving facility is located of major changes in the shipment plan, such as a decision to ship the Waste Material to another facility within the same state, or to a facility in another state.

ii. The identity of the receiving facility and state will be determined by Respondents following the award of the contract for the removal action. Respondents shall provide the information required by Paragraph 21(a) and 21(b) as soon as practicable after the award of the contract and before the Waste Material is actually shipped.

b. Before shipping any hazardous substances, pollutants, or contaminants from the Site to an off-site location, Respondents shall obtain EPA's certification that the proposed receiving facility is operating in compliance with the requirements of CERCLA Section 121(d)(3), 42 U.S.C. § 9621(d)(3), and 40 C.F.R. § 300.440. Respondents shall only send hazardous substances, pollutants, or contaminants from the Site to an off-site facility that complies with the requirements of the statutory provision and regulation cited in the preceding sentence.

IX. SITE ACCESS

25. If the Site, or any other property where access is needed to implement this Settlement Agreement, is owned or controlled by any of the Respondents, such Respondents shall, commencing on the Effective Date, provide EPA, the State, and their representatives, including contractors, with access at all reasonable times to the Site, or such other property, for the purpose of conducting any activity related to this Settlement Agreement.

26. Where any action under this Settlement Agreement is to be performed in areas owned by or in possession of someone other than Respondents, Respondents shall use their best efforts to obtain all necessary access agreements within seven (7) days after the Effective Date, or as otherwise specified in writing by the OSC. Respondents shall immediately notify EPA if after using their best efforts they are unable to obtain such agreements. For purposes of this Paragraph, "best efforts" includes the payment of reasonable sums of money in consideration of access. Respondents shall describe in writing their efforts to obtain access. EPA may then assist Respondents in gaining access, to the extent necessary to effectuate the response actions described in this Settlement Agreement, using such means as EPA deems appropriate. Respondents shall reimburse EPA for all costs and attorney's fees incurred by the United States in obtaining such access, in accordance with the procedures in Section XV (Payment of Response Costs).

27. Notwithstanding any provision of this Settlement Agreement, EPA and the State retain all of their access authorities and rights as well as all of their rights to require land/water use restrictions, including enforcement authorities related thereto, under CERCLA, RCRA, and any other applicable statutes or regulations.

X. ACCESS TO INFORMATION

28. Respondents shall provide to EPA and the State, upon request, copies of all documents and information within their possession or control or that of their contractors or agents relating to activities at the Site or to the implementation of this Settlement Agreement, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information related to the Work. Respondents shall also make available to EPA and the State, for purposes of investigation, information gathering, or testimony, their employees, agents, or representatives with knowledge of relevant facts concerning the performance of the Work.

29. Respondents may assert business confidentiality claims covering part or all of the documents or information submitted to EPA and the State under this Settlement Agreement to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b). Documents or information determined to be confidential by EPA will be afforded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies documents or information when they are submitted to EPA and the State, or if EPA has notified Respondents that the documents or information are not confidential under the standards of Section 104(e)(7) of CERCLA or 40 C.F.R. Part 2, Subpart B, the public may be given access to such documents or information without further notice to Respondents.

30. Respondents may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If the Respondents assert such a privilege in lieu of providing documents, they shall provide EPA and the State with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the contents of the document, record, or information; and 6) the privilege asserted by Respondents. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged or confidential.

31. No claim of privilege or confidentiality shall be made with respect to any data, including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

XI. RECORD RETENTION

32. Until 10 years after Respondents' receipt of EPA's notification pursuant to Section XXVII (Notice of Completion of Work), each Respondent shall preserve and retain all non-identical copies of records and documents (including records or documents in electronic form) now in its possession or control or which come into its possession or control that relate in any

manner to the performance of the Work or the liability of any person under CERCLA with respect to the Site, regardless of any corporate retention policy to the contrary. Until 10 years after Respondents' receipt of EPA's notification pursuant to Section XXVII (Notice of Completion of Work), Respondents shall also instruct their contractors and agents to preserve all documents, records, and information of whatever kind, nature or description relating to performance of the Work.

33. At the conclusion of this document retention period, Respondents shall notify EPA and the State at least 90 days prior to the destruction of any such records or documents, and, upon request by EPA or the State, Respondents shall deliver any such records or documents to EPA or the State. Respondents may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If Respondents assert such a privilege, they shall provide EPA or the State with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the subject of the document, record, or information; and 6) the privilege asserted by Respondents. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged or confidential.

34. Each Respondent hereby certifies individually that to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information (other than identical copies) relating to its potential liability regarding the Site since the first notification of potential liability by EPA or the State or the filing of suit against it regarding the Site and that it has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

XII. COMPLIANCE WITH OTHER LAWS

35. Respondents shall perform all actions required pursuant to this Settlement Agreement in accordance with all applicable state and federal laws and regulations except as provided in Section 121(e) of CERCLA, 42 U.S.C. § 6921(e), and 40 C.F.R. §§ 300.400(e) and 300.415(j). In accordance with 40 C.F.R. § 300.415(j), all on-Site actions required pursuant to this Settlement Agreement shall, to the extent practicable, as determined by EPA, considering the exigencies of the situation, attain applicable or relevant and appropriate requirements (ARARs) under federal environmental or state environmental or facility siting laws. Respondents shall identify ARARs in the Work Plan subject to EPA approval.

XIII. EMERGENCY RESPONSE AND NOTIFICATION OF RELEASES

36. In the event of any action or occurrence during performance of the Work which causes or threatens a release of Waste Material from the Site that constitutes an emergency

situation or may present an immediate threat to public health or welfare or the environment, Respondents shall immediately take all appropriate action. Respondents shall take these actions in accordance with all applicable provisions of this Settlement Agreement, including, but not limited to, the Health and Safety Plan, in order to prevent, abate or minimize such release or endangerment caused or threatened by the release. Respondents shall also immediately notify the OSC or, in the event of his/her unavailability, the Regional Duty Officer at (404) 562-8700, of the incident or Site conditions. In the event that Respondents fail to take appropriate response action as required by this Paragraph, and EPA takes such action instead, Respondents shall reimburse EPA all costs of the response action not inconsistent with the NCP pursuant to Section XV (Payment of Response Costs).

37. In addition, in the event of any release of a hazardous substance from the Site, Respondents shall immediately notify the OSC at 404-606-2223 and the National Response Center at (800) 424-8802. Respondents shall submit a written report to EPA within 7 days after each release, setting forth the events that occurred and the measures taken or to be taken to mitigate any release or endangerment caused or threatened by the release and to prevent the reoccurrence of such a release. This reporting requirement is in addition to, and not in lieu of, reporting under Section 103(c) of CERCLA, 42 U.S.C. § 9603(c), and Section 304 of the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. § 11004, *et seq.*

XIV. AUTHORITY OF ON-SCENE COORDINATOR

38. The OSC shall be responsible for overseeing Respondents' implementation of this Settlement Agreement. The OSC shall have the authority vested in an OSC by the NCP, including the authority to halt, conduct, or direct any Work required by this Settlement Agreement, or to direct any other removal action undertaken at the Site. Absence of the OSC from the Site shall not be cause for stoppage of work unless specifically directed by the OSC.

XV. PAYMENT OF RESPONSE COSTS

39. Payment for Past Response Costs.

a. EPA shall issue a demand to Respondents for the payment of Past Response Costs no earlier than 120 days following the completion of the Work at this Site as determined by the OSC. Within 60 days after Respondents' receipt from EPA of a demand for payment, Respondents shall pay a minimum of \$15,000 per calendar month to EPA until EPA's cumulative Past and Future Response Costs are paid in full. Payment shall be made to EPA by Electronic Funds Transfer (EFT) in accordance with current EFT procedures to be provided to Respondents by EPA Region 4, and shall be accompanied by a statement identifying the name and address of the party making payment, the Site name, the EPA Region and Site/Spill ID Number B4E7, and the EPA docket number for this action to:

Federal Reserve Bank of New York
ABA: 021030004
Account Number: 68010727
SWIFT address: FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read: "D 68010727 Environmental Protection Agency"

b. At the time of payment, Respondents shall send notice that such payment has been made by email to acctsreceivable.cinwd@epa.gov, or by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

with a copy to:

Leo Francendese
Federal On-Scene Coordinator
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
francendese.leo@epa.gov

and a copy to:

Paula V. Painter
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
painter.paula@epa.gov

c. The total amount to be paid by Respondents pursuant to Paragraph 36(a) shall be deposited by EPA in the EPA Hazardous Substance Superfund.

40. Payments for Future Response Costs.

a. EPA shall issue a bill(s) to Respondents for the payment of Future Response Costs no earlier than 120 days following the completion of the Work at this Site as determined by the OSC. Within 60 days after Respondents' receipt from EPA of a demand for payment, Respondents shall pay a minimum of \$15,000 per calendar month to EPA until EPA's cumulative Past and Future Response Costs are paid in full. Respondents shall pay EPA all Future Response Costs not inconsistent with the NCP. The bill(s) requiring payment will include a SCORPIOS

Report, which includes direct and indirect costs incurred by EPA and its contractors. Respondents shall pay a minimum of \$15,000 per calendar month until EPA's cumulative Future and Past Response Costs are paid in full, except as otherwise provided in Paragraph 42 of this Settlement Agreement.

b. Respondents shall make all payments required by this Paragraph to EPA by Electronic Funds Transfer (EFT) in accordance with current EFT procedures to be provided to Respondents by EPA Region 4, and shall be accompanied by a statement identifying the name and address of the party making payment, the Site name, the EPA Region and Site/Spill ID Number B4E7, and the EPA docket number for this action to:

Federal Reserve Bank of New York
ABA: 021030004
Account Number: 68010727
SWIFT address: FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read: "D 68010727 Environmental Protection Agency"

c. At the time of payment, Respondents shall send notice that payment has been made to by email to acctsreceivable.cinwd@epa.gov, or by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

with a copy to:

Leo Francendese
Federal On-Scene Coordinator
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
francendese.leo@epa.gov

and a copy to:

Paula V. Painter
U.S. EPA, Region 4
61 Forsyth Street, SW
Atlanta, Georgia 30303
painter.paula@epa.gov

d. The total amount to be paid by Respondents pursuant to Paragraph 40(a) shall be deposited by EPA into the EPA Hazardous Substance Superfund.

41. In the event that the payment for Past or Future Response Costs is not made within 60 days of the Demand for Payment, Respondents shall pay Interest on each unpaid \$15,000 required payment. The Interest on Past Response Costs and Future Response Costs shall begin to accrue on the due date of payment and shall continue to accrue until the date of payment. Payments of Interest made under this Paragraph shall be in addition to such other remedies or sanctions available to the United States by virtue of Respondents' failure to make timely payments under this Section, including but not limited to, payment of stipulated penalties pursuant to Section XVIII.

42. Respondents may contest payment of any Future Response Costs billed under Paragraph 40 if they determine that EPA has made a mathematical error, or if they believe EPA incurred excess costs as a direct result of an EPA action that was inconsistent with the NCP. Such objection shall be made in writing within 30 days of receipt of the bill and must be sent to Paula Painter. Any such objection shall specifically identify the contested Future Response Costs and the basis for objection. In the event of an objection, Respondents shall within the 30-day period pay all uncontested Future Response Costs to EPA in the manner described in Paragraph 40. Simultaneously, Respondents shall establish an interest-bearing escrow account in a federally-insured bank duly chartered in the State of South Carolina and remit to that escrow account funds equivalent to the amount of the contested Future Response Costs. Respondents shall send to Paula Painter and the OSC a copy of the transmittal letter and check paying the uncontested Future Response Costs, and a copy of the correspondence that establishes and funds the escrow account, including, but not limited to, information containing the identity of the bank and bank account under which the escrow account is established as well as a bank statement showing the initial balance of the escrow account. Simultaneously with establishment of the escrow account, Respondents shall initiate the Dispute Resolution procedures in Section XVI (Dispute Resolution). If EPA prevails in the dispute, within 5 days of the resolution of the dispute, Respondents shall pay the sums due (with accrued interest) to EPA in the manner described in Paragraph 40. If Respondents prevail concerning any aspect of the contested costs, Respondents shall pay that portion of the costs (plus associated accrued interest) for which they did not prevail to EPA in the manner described in Paragraph 40. Respondents shall be disbursed any balance of the escrow account. The dispute resolution procedures set forth in this Paragraph in conjunction with the procedures set forth in Section XVI (Dispute Resolution) shall be the exclusive mechanisms for resolving disputes regarding Respondents' obligation to reimburse EPA for its Future Response Costs.

XVI. DISPUTE RESOLUTION

43. Unless otherwise expressly provided for in this Settlement Agreement, the dispute resolution procedures of this Section shall be the exclusive mechanism for resolving disputes

arising under this Settlement Agreement. The Parties shall attempt to resolve any disagreements concerning this Settlement Agreement expeditiously and informally.

44. If Respondents object to any EPA action taken pursuant to this Settlement Agreement, including billings for Future Response Costs, they shall notify EPA in writing of their objection(s) within fourteen (14) days of such action, unless the objection(s) has/have been resolved informally. EPA and Respondents shall have fourteen (14) days from EPA's receipt of Respondents' written objection(s) to resolve the dispute through formal negotiations (the Negotiation Period). The Negotiation Period may be extended at the sole discretion of EPA.

45. Any agreement reached by the parties pursuant to this Section shall be in writing and shall, upon signature by both parties, be incorporated into and become an enforceable part of this Settlement Agreement. If the Parties are unable to reach an agreement within the Negotiation Period, an EPA management official at the Superfund Division Director level or higher will issue a written decision on the dispute to Respondents. EPA's decision shall be incorporated into and become an enforceable part of this Settlement Agreement. Respondents' obligations under this Settlement Agreement shall not be tolled by submission of any objection for dispute resolution under this Section. Following resolution of the dispute, as provided by this Section, Respondents shall fulfill the requirement that was the subject of the dispute in accordance with the agreement reached or with EPA's decision, whichever occurs.

XVII. FORCE MAJEURE

46. Respondents agree to perform all requirements of this Settlement Agreement within the time limits established under this Settlement Agreement, unless the performance is delayed by a *force majeure*. For purposes of this Settlement Agreement, a *force majeure* is defined as any event arising from causes beyond the control of Respondents, or of any entity controlled by Respondents, including but not limited to their contractors and subcontractors, which delays or prevents performance of any obligation under this Settlement Agreement despite Respondents' best efforts to fulfill the obligation. *Force majeure* does not include financial inability to complete the Work, or increased cost of performance.

47. If any event occurs or has occurred that may delay the performance of any obligation under this Settlement Agreement, whether or not caused by a *force majeure* event, Respondents shall notify EPA orally within twenty-four hours of when Respondents first knew that the event might cause a delay. Within seven (7) days thereafter, Respondents shall provide to EPA in writing an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Respondents' rationale for attributing such delay to a *force majeure* event if they intend to assert such a claim; and a statement as to whether, in the opinion of Respondents, such event may cause or contribute to an endangerment to public health, welfare or the environment. Failure to comply with the above requirements shall preclude Respondents from asserting any claim of *force*

majeure for that event for the period of time of such failure to comply and for any additional delay caused by such failure.

48. If EPA agrees that the delay or anticipated delay is attributable to a *force majeure* event, the time for performance of the obligations under this Settlement Agreement that are affected by the *force majeure* event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the *force majeure* event shall not, of itself, extend the time for performance of any other obligation. If EPA does not agree that the delay or anticipated delay has been or will be caused by a *force majeure* event, EPA will notify Respondents in writing of its decision. If EPA agrees that the delay is attributable to a *force majeure* event, EPA will notify Respondents in writing of the length of the extension, if any, for performance of the obligations affected by the *force majeure* event.

XVIII. STIPULATED PENALTIES

49. Respondents shall be liable to EPA for stipulated penalties in the amounts set forth in Paragraphs 50 and 51 for failure to comply with the requirements of this Settlement Agreement specified below, unless excused under Section XVII (*Force Majeure*). "Compliance" by Respondents shall include completion of the activities under this Settlement Agreement or any work plan or other plan approved under this Settlement Agreement identified below in accordance with all applicable requirements of law, this Settlement Agreement and any plans or other documents approved by EPA pursuant to this Settlement Agreement and within the specified time schedules established by and approved under this Settlement Agreement.

50. Stipulated Penalty Amounts - Work.

a. The following stipulated penalties shall accrue per violation per day for any noncompliance identified in Paragraph 47(b):

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$500	1st through 14th day
\$1,000	15th through 30th day
\$1,500	31st day and beyond

b. Compliance Milestones

- i. Failure to timely submit a draft Work Plan as required by Paragraph 18;
- ii. Failure to timely submit modifications requested by EPA or its representatives to the draft Work Plan;
- iii. Failure to timely submit Plans as required under the Paragraph 14(j).

- iv. Failure to timely submit payment for Past and Future Response Costs required by Paragraphs 39 and 40;
- v. Failure to obtain insurance as required by Paragraph 74; and
- vi. Failure to comply with any schedule in the EPA-approved Work Plan.

51. Stipulated Penalty Amounts - Reports. The following stipulated penalties shall accrue per violation per day for failure to submit timely or adequate reports or other written documents, other than those specifically listed above in Paragraph 50(b), pursuant to Paragraphs 19, 22, 23:

<u>Penalty Per Violation Per Day</u>	<u>Period of Noncompliance</u>
\$200	1st through 14th day
\$400	15th through 30th day
\$800	31st day and beyond

52. In the event that EPA assumes performance of a portion or all of the Work pursuant to Paragraph 62 of Section XX, Respondents shall be liable for a stipulated penalty in the amount of \$150,000.

53. All penalties shall begin to accrue on the day after the complete performance is due or the day a violation occurs, and shall continue to accrue through the final day of the correction of the noncompliance or completion of the activity. However, stipulated penalties shall not accrue: 1) with respect to a deficient submission under Section VIII (Work to be Performed), during the period, if any, beginning on the 31st day after EPA's receipt of such submission until the date that EPA notifies Respondents of any deficiency; and 2) with respect to a decision by the EPA Management Official at the Superfund Division Director level or higher, under Paragraph 45 of Section XVI (Dispute Resolution), during the period, if any, beginning on the 21st day after the Negotiation Period begins until the date that the EPA management official issues a final decision regarding such dispute. Nothing in this Settlement Agreement shall prevent the simultaneous accrual of separate penalties for separate violations of this Settlement Agreement.

54. Following EPA's determination that Respondents have failed to comply with a requirement of this Settlement Agreement, EPA may give Respondents written notification of the failure and describe the noncompliance. EPA may send Respondents a written demand for payment of the penalties. However, penalties shall accrue as provided in the preceding Paragraph regardless of whether EPA has notified Respondents of a violation.

55. All penalties accruing under this Section shall be due and payable to EPA within 30 days of Respondents' receipt from EPA of a demand for payment of the penalties, unless Respondents invoke the dispute resolution procedures under Section XVI (Dispute Resolution). All payments to EPA under this Section shall be paid by certified or cashier's check(s) made payable to "EPA Hazardous Substances Superfund," shall be mailed to U.S. Environmental Protection Agency, Fines and Penalties, Cincinnati Finance Center, P.O. Box 979077, St. Louis,

MO 63197-9000, shall indicate that the payment is for stipulated penalties, and shall reference the EPA Region and Site/Spill ID Number B4E7, the EPA Docket Number, and the name and address of the party(ies) making payment. Copies of check(s) paid pursuant to this Section, and any accompanying transmittal letter(s), shall be sent to EPA as provided in Paragraph 40.

56. The payment of penalties shall not alter in any way Respondents' obligation to complete performance of the Work required under this Settlement Agreement.

57. Penalties shall continue to accrue during any dispute resolution period, but need not be paid until 15 days after the dispute is resolved by agreement or by receipt of EPA's decision.

58. If Respondents fail to pay stipulated penalties when due, EPA may institute proceedings to collect the penalties, as well as Interest. Respondents shall pay Interest on the unpaid balance, which shall begin to accrue on the date of demand made pursuant to Paragraph 52. Nothing in this Settlement Agreement shall be construed as prohibiting, altering, or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of Respondents' violation of this Settlement Agreement or of the statutes and regulations upon which it is based, including, but not limited to, penalties pursuant to Sections 106(b) and 122(l) of CERCLA, 42 U.S.C. §§ 9606(b) and 9622(l), and punitive damages pursuant to Section 107(c)(3) of CERCLA, 42 U.S.C. § 9607(c)(3). Provided, however, that EPA shall not seek civil penalties pursuant to Section 106(b) or 122(l) of CERCLA or punitive damages pursuant to Section 107(c)(3) of CERCLA for any violation for which a stipulated penalty is provided in this Section, except in the case of a willful violation of this Settlement Agreement or in the event that EPA assumes performance of a portion or all of the Work pursuant to Section XX, Paragraph 62." Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this Settlement Agreement.

XIX. COVENANT NOT TO SUE BY EPA

59. In consideration of the actions that will be performed and the payments that will be made by Respondents under the terms of this Settlement Agreement, and except as otherwise specifically provided in this Settlement Agreement, EPA covenants not to sue or to take administrative action against Respondents pursuant to Sections 106 and 107(a) of CERCLA, 42 U.S.C. §§ 9606 and 9607(a), for the Work, Past Response Costs, and Future Response Costs. This covenant not to sue shall take effect upon receipt by EPA of the Past Response Costs due under Section XV of this Settlement Agreement and any Interest or Stipulated Penalties due for failure to pay Past Response Costs as required by Sections XV and XVIII of this Settlement Agreement. This covenant not to sue is conditioned upon the complete and satisfactory performance by Respondents of their obligations under this Settlement Agreement, including, but not limited to, payment of Future Response Costs pursuant to Section XV. This covenant not to sue extends only to Respondents and does not extend to any other person.

XX. RESERVATIONS OF RIGHTS BY EPA

60. Except as specifically provided in this Settlement Agreement, nothing in this Settlement Agreement shall limit the power and authority of EPA or the United States to take, direct, or order all actions necessary to protect public health, welfare, or the environment or to prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants or contaminants, or hazardous or solid waste on, at, or from the Site. Further, nothing in this Settlement Agreement shall prevent EPA from seeking legal or equitable relief to enforce the terms of this Settlement Agreement, from taking other legal or equitable action as it deems appropriate and necessary, or from requiring Respondents in the future to perform additional activities pursuant to CERCLA or any other applicable law.

61. The covenant not to sue set forth in Section XIX above does not pertain to any matters other than those expressly identified therein. EPA reserves, and this Settlement Agreement is without prejudice to, all rights against Respondents with respect to all other matters, including, but not limited to:

a. claims based on a failure by Respondents to meet a requirement of this Settlement Agreement;

b. liability for costs not included within the definitions of Past Response Costs or Future Response Costs;

c. liability for performance of response action other than the Work;

d. criminal liability;

e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments;

f. liability arising from the past, present, or future disposal, release or threat of release of Waste Materials outside of the Site; and

g. liability for costs incurred or to be incurred by the Agency for Toxic Substances and Disease Registry related to the Site.

62. Work Takeover. In the event EPA determines that Respondents have ceased implementation of any portion of the Work, are seriously or repeatedly deficient or late in their performance of the Work, or are implementing the Work in a manner which may cause an endangerment to human health or the environment, EPA may assume the performance of all or any portion of the Work as EPA determines necessary. Respondents may invoke the procedures set forth in Section XVI (Dispute Resolution) to dispute EPA's determination that takeover of the Work is warranted under this Paragraph. Costs incurred by the United States in performing the Work pursuant to this Paragraph shall be considered Future Response Costs that Respondents shall

pay pursuant to Section XV (Payment of Response Costs). Notwithstanding any other provision of this Settlement Agreement, EPA retains all authority and reserves all rights to take any and all response actions authorized by law.

XXI. COVENANT NOT TO SUE BY RESPONDENTS

63. Respondents covenant not to sue and agree not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to the Work, Past Response Costs, Future Response Costs, or this Settlement Agreement, including, but not limited to:

a. any direct or indirect claim for reimbursement from the Hazardous Substance Superfund established by 26 U.S.C. § 9507, based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claim arising out of response actions at or in connection with the Site, including any claim under the United States Constitution, the State Constitution, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; or

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, Section 7002(a) of RCRA, 42 U.S.C. § 6972(a), or State law, relating to the Work, Past Response Costs, or Future Response Costs.

64. Nothing in this Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

65. Respondents agree not to assert any claims and to waive all claims or causes of action that they may have for all matters relating to the Site, including for contribution, against any person where the person's liability to Respondents with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if all or part of the disposal, treatment, or transport occurred before April 1, 2001, and the total amount of material containing hazardous substances contributed by such person to the Site was less than 110 gallons of liquid materials or 200 pounds of solid materials.

66. The waiver in Paragraph 65 shall not apply with respect to any defense, claim, or cause of action that a Respondent may have against any person meeting the above criteria if such person asserts a claim or cause of action relating to the Site against such Respondent. This waiver also shall not apply to any claim or cause of action against any person meeting the above criteria if EPA determines:

a. that such person has failed to comply with any EPA requests for information or administrative subpoenas issued pursuant to Section 104(e) or 122(e) of CERCLA, 42 U.S.C. §§

9604(e) or 9622(e), or Section 3007 of the Solid Waste Disposal Act (also known as the Resource Conservation and Recovery Act or "RCRA"), 42 U.S.C. § 6972, or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the Site, or has been convicted of a criminal violation for the conduct to which this waiver would apply and that conviction has not been vitiated on appeal or otherwise; or

b. that the materials containing hazardous substances contributed to the Site by such person have contributed significantly, or could contribute significantly, either individually or in the aggregate, to the cost of response action or natural resource restoration at the Site.

XXII. OTHER CLAIMS

67. By issuance of this Settlement Agreement, the United States and EPA assume no liability for injuries or damages to persons or property resulting from any acts or omissions of Respondents. The United States or EPA shall not be deemed a party to any contract entered into by Respondents or their directors, officers, employees, agents, successors, representatives, assigns, contractors, or consultants in carrying out actions pursuant to this Settlement Agreement.

68. Except as expressly provided in Section XIX (Covenant Not to Sue by EPA), nothing in this Settlement Agreement constitutes a satisfaction of or release from any claim or cause of action against Respondents or any person not a party to this Settlement Agreement, for any liability such person may have under CERCLA, other statutes, or common law, including but not limited to any claims of the United States for costs, damages and interest under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607.

69. No action or decision by EPA pursuant to this Settlement Agreement shall give rise to any right to judicial review, except as set forth in Section 113(h) of CERCLA, 42 U.S.C. § 9613(h).

XXIII. CONTRIBUTION

70. The Respondents agree that this Settlement Agreement constitutes an administrative settlement for purposes of Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), and that Respondents are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), or as may be otherwise provided by law, for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are the Work, Past Response Costs, and Future Response Costs. The Respondents further agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B), pursuant to which Respondents have, as of the Effective Date, resolved their liability to the United States for the Work, Past Response Costs, and Future Response Costs.

a. Each Respondent shall, with respect to any suit or claim brought by it for matters related to this Settlement Agreement, notify EPA in writing no later than 60 days prior to the

initiation of such suit or claim. Each Respondent also shall, with respect to any suit or claim brought against it for matters related to this Settlement Agreement, notify EPA in writing within 10 days of service of the complaint or claim upon it. In addition, each Respondent shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Settlement Agreement.

b. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief relating to the Site, Respondents shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenant by EPA set forth in Section XIX.

c. Effective upon signature of this Settlement Agreement by a Respondent, such Respondent agrees that the time period after the date of its signature shall not be included in computing the running of any statute of limitations potentially applicable to any action brought by the United States related to the "matters addressed" as defined in Paragraph 70 and that, in any action brought by the United States related to the "matters addressed," such Respondent will not assert, and may not maintain, any defense or claim based upon principles of statute of limitations, waiver, laches, estoppel, or other defense based on the passage of time after its signature of this Settlement Agreement. If EPA gives notice to Respondents that it will not make this Settlement Agreement effective, the statute of limitations shall begin to run again commencing ninety days after the date such notice is sent by EPA.

XXIV. INDEMNIFICATION

71. Respondents shall indemnify, save and hold harmless the United States, its officials, agents, contractors, subcontractors, employees and representatives from any and all claims or causes of action arising from, or on account of, negligent or other wrongful acts or omissions of Respondents, their officers, directors, employees, agents, contractors, or subcontractors, in carrying out actions pursuant to this Settlement Agreement. In addition, Respondents agree to pay the United States all costs incurred by the United States, including but not limited to attorneys fees and other expenses of litigation and settlement, arising from or on account of claims made against the United States based on negligent or other wrongful acts or omissions of Respondents, their officers, directors, employees, agents, contractors, subcontractors and any persons acting on their behalf or under their control, in carrying out activities pursuant to this Settlement Agreement. The United States shall not be held out as a party to any contract entered into by or on behalf of Respondents in carrying out activities pursuant to this Settlement Agreement. Neither Respondents nor any such contractor shall be considered an agent of the United States.

72. The United States shall give Respondents notice of any claim for which the United States plans to seek indemnification pursuant to this Section and shall consult with Respondents prior to settling such claim.

73. Respondents waive all claims against the United States for damages or reimbursement or for set-off of any payments made or to be made to the United States, arising from or on account of any contract, agreement, or arrangement between any one or more of Respondents and any person for performance of Work on or relating to the Site, including, but not limited to, claims on account of construction delays. In addition, Respondents shall indemnify and hold harmless the United States with respect to any and all claims for damages or reimbursement arising from or on account of any contract, agreement, or arrangement between any one or more of Respondents and any person for performance of Work on or relating to the Site, including, but not limited to, claims on account of construction delays.

XXV. INSURANCE

74. At least seven (7) days prior to commencing any on-Site work under this Settlement Agreement, Respondents shall secure, and shall maintain for the duration of this Settlement Agreement, comprehensive general liability insurance and automobile insurance with limits of one (1) million dollars, combined single limit, naming EPA as an additional insured. Within the same time period, Respondents shall provide EPA with certificates of such insurance and a copy of each insurance policy. Respondents shall submit such certificates and copies of policies each year on the anniversary of the Effective Date. In addition, for the duration of the Settlement Agreement, Respondents shall satisfy, or shall ensure that their contractors or subcontractors satisfy, all applicable laws and regulations regarding the provision of worker's compensation insurance for all persons performing the Work on behalf of Respondents in furtherance of this Settlement Agreement. If Respondents demonstrate by evidence satisfactory to EPA that any contractor or subcontractor maintains insurance equivalent to that described above, or insurance covering some or all of the same risks but in an equal or lesser amount, then Respondents need provide only that portion of the insurance described above which is not maintained by such contractor or subcontractor.

XXVI. MODIFICATIONS

75. The OSC may make modifications to any plan or schedule or Statement of Work in writing or by oral direction. Any oral modification will be memorialized in writing by EPA promptly, but shall have as its effective date the date of the OSC's oral direction. Any other requirements of this Settlement Agreement may be modified in writing by mutual agreement of the parties.

76. If Respondents seek permission to deviate from any approved work plan or schedule, Respondents' Project Coordinator shall submit a written request to EPA for approval outlining the proposed modification and its basis. Respondents may not proceed with the requested deviation until receiving oral or written approval from the OSC pursuant to Paragraph 75.

77. No informal advice, guidance, suggestion, or comment by the OSC or other EPA representatives regarding reports, plans, specifications, schedules, or any other writing submitted by Respondents shall relieve Respondents of their obligation to obtain any formal approval required by this Settlement Agreement, or to comply with all requirements of this Settlement Agreement, unless it is formally modified.

XXVII. ADDITIONAL REMOVAL ACTION

78. If EPA determines that additional removal actions not included in an approved plan are necessary to protect public health, welfare, or the environment, EPA will notify Respondents of that determination. Unless otherwise stated by EPA, within 30 days of receipt of notice from EPA that additional removal actions are necessary to protect public health, welfare, or the environment, Respondents shall submit for approval by EPA a Work Plan for the additional removal actions. The plan shall conform to the applicable requirements of Section VIII (Work to Be Performed) of this Settlement Agreement. Upon EPA's approval of the plan pursuant to Section VIII, Respondents shall implement the plan for additional removal actions in accordance with the provisions and schedule contained therein. This Section does not alter or diminish the OSC's authority to make oral modifications to any plan or schedule pursuant to Section XXVI (Modifications).

XXVIII. NOTICE OF COMPLETION OF WORK

79. When EPA determines, after EPA's review of the Final Report, that all Work has been fully performed in accordance with this Settlement Agreement, with the exception of any continuing obligations required by this Settlement Agreement, including post-removal site controls, payment of Future Response Costs or record retention, EPA will provide written notice to Respondents. If EPA determines that any such Work has not been completed in accordance with this Settlement Agreement, EPA will notify Respondents, provide a list of the deficiencies, and require that Respondents modify the Work Plan if appropriate in order to correct such deficiencies. Respondents shall implement the modified and approved Work Plan and shall submit a modified Final Report in accordance with the EPA notice. Failure by Respondents to implement the approved modified Work Plan shall be a violation of this Settlement Agreement.

XXIX. INTEGRATION/APPENDICES

80. This Settlement Agreement and its appendices constitute the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Settlement Agreement. The parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Settlement Agreement. The following appendices are attached to and incorporated into this Settlement Agreement:

Appendix "A": Statement of Work

XXX. EFFECTIVE DATE

81. This Settlement Agreement shall be effective on the day it is signed by the Regional Administrator or his/her delegate.

The undersigned representatives of Respondents certify that they are fully authorized to enter into the terms and conditions of this Settlement Agreement and to bind the party they represent to this document.

Agreed this day of , 2011.

April 28th, 2011

IN THE MATTER OF THE WELCH GROUP ENVIRONMENTAL BELTON SITE:

For Respondent, Welch Group Environmental, LLC:

By *[Signature]*

Title *President / CEO*

For Respondent, David B. Jones:

By _____

Title

XXX. EFFECTIVE DATE

81. This Settlement Agreement shall be effective on the day it is signed by the Regional Administrator or his/her delegate.

The undersigned representatives of Respondents certify that they are fully authorized to enter into the terms and conditions of this Settlement Agreement and to bind the party they represent to this document.

Agreed this 28 day of April, 2011.

IN THE MATTER OF THE WELCH GROUP ENVIRONMENTAL BELTON SITE:

For Respondent, Welch Group Environmental, LLC:

By _____

Title _____

For Respondent, David B. Jones:

By David B. Jones
Title owner, property

IN THE MATTER OF THE WELCH GROUP ENVIRONMENTAL BELTON SITE:

It is so ORDERED and Agreed this 12th day of MAY, 2011.

By: 

DATE: 05/12/2011

A. Shane Hitchcock, Chief
Emergency Response and Removal Branch
Superfund Division
Region 4
U.S. Environmental Protection Agency

EFFECTIVE DATE: 05/12/2011

APPENDIX "A"
STATEMENT OF WORK

Statement of Work

- a. Develop a Site Health and Safety Plan;
- b. Provide for Site security and control access to Site;
- c. Contain and secure open vessels/drums;
- d. Implement drainage controls to prevent run off;
- e. Construct sediment/soil containment measures such as silt curtains or hay bales where appropriate;
- f. Provide for the containment and segregation of noncompatible materials and/or Waste Material;
- g. Immediately identify all usable products destined for future use and/or sale;
- h. Repackage all materials and Waste Materials that are currently in compromised containers;
- i. Remove containers and equipment that may contain Waste Material;
- j. Provide the following plans:
 - 1. Waste Characterization Plan;
 - 2. Decontamination/Demolition Plan; and
 - 3. Soils Removal and Disposal Plan.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAY 12 2011

ENFORCEMENT ACTION MEMORANDUM

SUBJECT: Request for Approval for Removal Action at the Welch Group Environmental (WGE) Belton Site, Anderson County, South Carolina

FROM: Leo Francendese, On-Scene Coordinator
Emergency Response and Removal Branch

THRU: Shane Hitchcock, R4 Chief
Emergency Response and Removal Branch

TO: Franklin E. Hill, Director
Superfund Division

SITE ID: B4E7

I. PURPOSE

The purpose of this Action Memorandum is to request and document approval of a proposed time-critical removal action described herein for the Welch Group Environmental Belton Site (the Site) in Anderson, Anderson County, South Carolina. The release of hazardous substances at the Site poses a threat to public health and the environment pursuant to Section 104(a) of CERCLA and the conditions at the Site meet the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), Section 300.415(b)(2) criteria for removal actions.

This action will be implemented under an Administrative Order and Agreement on Consent (AOC) with the Welch Group Environmental (WGE) and David B Jones under Sections 104(a), 106(a), and 107 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980. This removal action involves the removal, processing, and disposal of lead contaminated debris, wastes, structures and soil constitutes a release.

II. SITE CONDITIONS AND BACKGROUND

Site Specific ID Number: B4E7
Removal Category: Time-Critical Removal Action
CERCLIS ID:

A. Site Description

This section of the Action Memorandum provides a description of the Site conditions and relevant background information.

1. Removal Site Evaluation

The WGE Belton Site is part of the Welch Group Environmental (WGE) CERCLA response sites. WGE operated a business that recovered lead and other metals from spent munitions gathered from firing ranges around the Southeast.

The Site was referred to the EPA on December 22, 2010 by the South Carolina Bureau of Land and Waste Management (SCDHEC). The SCDHEC referral letter is in Attachment A. A summary of the laboratory data is presented in Attachment C. The soil XRF and the lead soil concentration maps are presented in Attachment B.

On January 31, 2011, the EPA On-Scene Coordinator (OSC), SCDHEC, START, the property owner (David Jones), and WGE (Glenn Welch) conducted a removal site inspection (RSI). The full RSI report is included as Attachment D.

According to Mr. Welch, WGE has been operating at this location for approximately 14 months. WGE used this location for material separation of recovered range materials. After material separation, the lead material was transported to the Fair Play, South Carolina location for smelting. The second on-site warehouse building was used for storage of un-recovered bullets that were still embedded into the rubber resin bullet trap.

Numerous drums and open containers in compromised conditions with high lead level contaminated materials were present on the property. In addition, surfaces within the building and soils on the property had high levels of lead contamination.

On February 1, 2011, the OSC directed the PRP to conduct an emergency response action to secure the site, construct site soil/sediment containment measures and inventory and secure site wide containers. Emergency response was completed on February 18th.

2. Physical Location

The Site is located in Anderson, Anderson County, South Carolina. The geographic coordinates are 34° 31' 24.12" North latitude and 82° 59' 28.73" West longitude. The topographic map is presented in Attachment B. The Site is comprised of two one-story buildings, and the property extent is approximately 3 acres.

3. Site Characteristics

The Site is industrial in nature and has been secured by fencing. The Site is bordered by Belton Highway to the north, a cemetery to the east, agricultural land to the south, and woods to the west. An aerial image of the site is included in Attachment B. Topographically, the Site drains

generally to the southwest. Anderson County had a total population of 184,901 in 2009. The county is primarily rural with small municipalities comprising the county.

The property is owned by Mr. David Jones and leased to Glenn Welch, WGE. WGE operations are involved in recovering lead from both indoor and outdoor shooting ranges across the United States.

4. Release or Threatened Release into the Environment of a Hazardous Substance, or Pollutant or Contaminant

Lead is a hazardous substance as defined under Section 101 (14) of CERCLA and listed in Title 40 of the Code of Federal Regulation (CFR), Section 302.4. Lead is present at high levels in soils as well as vessels/drums, various equipment, and facility floors.

5. NPL Status

The Site is not on the National Priority List.

6. Maps, Pictures, and Other Graphic Representations

All removal file information, including data, maps and aerial photos of the Site, will be maintained by the PRP and the EPA On-Scene Coordinator (OSC). These files can be viewed on the EPA OSC webpage, <http://www.epaosc.org>

B. OTHER ACTIONS TO DATE

1. Previous Actions

As indicated above, emergency removal measures were initiated at the direction of the OSC. The PRPs hired a qualified contractor to perform the emergency response actions. Both a health and safety plan (HASP) as well as removal action work plans (RAWPs) have been submitted and approved by the OSC in consult with SCDHEC. Emergency response work was completed on February 18, 2011. The work included securing the site, stabilizing/containing lead process material vessels (ie drums and containers) and constructing sediment erosion measures.

The removal site inspection (RSI) was completed on March 7, 2011 with a subsequent removal site evaluation (RSE) recommendation for further action. A copy of the WGE Belton RSI report is included in Attachment E.

The OSC will continue to coordinate enforcement activities with SCDHEC. In addition, the OSC is coordinating with EPA R4 RCRA to assure that WGE proposed gun range recovery activities meet with applicable federal RCRA standards.

2. Current Actions

On February 17, 2011, the OSC requested that the PRP prepare the following plans for WGE Belton:

- Waste Characterization Plan (re. sampling) in order to gather the necessary information for an eventual Disposal/Recycling Options Analysis.
- Decontamination/Demolition Plan for remaining debris and structures exceeding the lead cleanup criteria.
- Soils Removal and Disposal Plan for soils exceeding the cleanup criteria.

The OSC is currently assisting the PRP by reviewing proposed RAWPs.

C. STATE AND LOCAL AUTHORITIES' ROLE

1. State and Local Actions to Date

SCDHEC ordered the cessation of operations on December 2, 2010. SCDHEC referred the Site to EPA Region 4 Emergency Response and Removal Branch (ERRB) for a RSE on December 22, 2010. A copy of the SCDHEC referral letter can be found in Attachment D.

The OSC began the RSI component of the RSE during the week of January 31, 2011 and is coordinating enforcement efforts with SCDHEC using CERCLA response authority. In coordination with Air, Waste and Land Management, Site Evaluation, and Region 1 programs at SCDHEC, the OSC directed the potentially responsible parties (PRPs) to secure the locations, contain and secure open vessels/drums and construct a sediment/soil containment measure such as silt curtain and hay bales where appropriate. This emergency response action was completed by February 18, 2011. A copy of the WGE Belton daily progress report (DPR) is included in Attachment E.

2. Potential for Continued State and Local Response

EPA will continue to play a large role in the response activities at the Site and will continue to oversee activities under the AOC. EPA will coordinate with the State to ensure they are apprised of all progress made under the Administrative Order and Agreement on Consent.

III. THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

Conditions resulting from the vessels and drums in disrepair, lead contaminated surfaces and debris as well as contaminated soil/sediment at WGE present a substantial threat to the public health or welfare and the environment if not properly managed and meet the criteria for a time-critical removal action as provided for in the NCP Section 300.415(b)(2). The primary criteria include:

- **Section 300.415(b)(2)(i) Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants:**

The contaminated soil, vessels in disrepair and contaminated structure surfaces and debris presents a potential human exposure threat through direct contact, runoff, and/or air migration.

- **Section 300.415(b)(2)(iv) High levels of hazardous substances or pollutants or contaminants in soils largely at or near the surface, that may migrate:**

The contaminated soil presents a potential threat of migration.

IV. ENDANGERMENT DETERMINATION

Actual or threatened releases of hazardous substances from this Site, if not addressed by implementing the response action selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, welfare or the environment.

V. PROPOSED ACTION

A. Proposed Actions

The proposed actions listed below have been developed in coordination with the SCDHEC, EPA and the PRP. These actions are designed to promote public welfare by removing and/or remediating lead contaminated debris, wastes, contaminated structures and soil. Removal action work plans will be developed by the PRP to implement the actions described below.

1. Proposed Action Description

The time critical removal action will execute the proposed actions:

- Implement an approved Health and Safety Plan
- Implement an approved Dust Monitoring and Management Plan
- Implement an approved Decontamination/Demolition Plan
- Implement an approved Soils Remediation Plan
- Implement an approved Waste Disposal Plan

2. Contribution to Remedial Performance

The proposed removal action will address the threats discussed in Section III, which meet the NCP Section 300.415(b)(2) removal criteria. The removal action contemplated in this Action Memorandum is consistent with potential future remedial actions that are anticipated at the Site.

3. Description of Alternative Technologies

The use of alternative technologies is not anticipated. The PRP will submit to the OSC for evaluation, a technical memorandum documenting the evaluation of best management practices and available technologies concerning treatment if any treatment is to be considered.

4. Engineering Evaluation/Cost Analysis (EE/CA)

This proposed action is a time-critical removal and does not require an EE/CA.

5. Applicable or Relevant and Appropriate Requirements (ARARs)

This action is being conducted as a time-critical removal action. Pursuant to the NCP, removal actions conducted under CERCLA are required to attain ARARs to the extent practicable, considering the exigencies of the situation. Waivers described in 40 CFR 300.430 may also be used for removal actions. Potential ARARs for this Site include portions of RCRA Subtitle C and DOT requirements for management and shipment of hazardous waste, respectively. All wastes transferred off-site will comply with the CERCLA Off-Site Rule pursuant to CERCLA 121(d)(3) and 40 CFR 300.440.

A. Project Schedule

Removal activities began as an emergency action under the direction of the OSC. A removal action work plan will be developed to provide more details on the anticipated productivity of the removal and disposal, both of which will impact the schedule.

B. Estimated Costs

Estimated costs are not included as this removal action is anticipated to be implemented as an enforcement-lead action.

VI. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

Failure to conduct this action in a timely manner increases the likelihood of human health exposure.

VII. OUTSTANDING POLICY ISSUES

There are no outstanding policy issues.

VIII. ENFORCEMENT

This action is being undertaken pursuant to an AOC between WGE, David B. Jones and EPA.

IX. REFERENCES

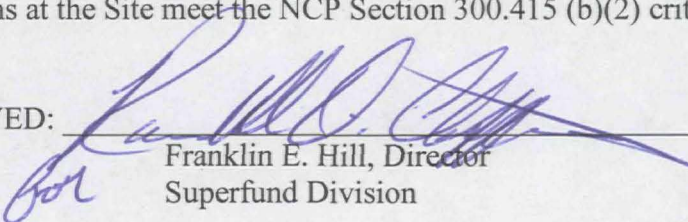
http://www.epaossc.org/site/site_profile.aspx?site_id=6664

X. RECOMMENDATION

This decision document represents the selected removal action for the Welch Group Environmental Belton Site, developed in accordance with CERCLA as amended, and not inconsistent with the National Contingency Plan (NCP). The document is based on the administrative record for the Site.

Conditions at the Site meet the NCP Section 300.415 (b)(2) criteria for a time-critical removal action.

APPROVED: _____


Franklin E. Hill, Director
Superfund Division

DATE: _____

5/12/11

DISAPPROVED: _____

Franklin E. Hill, Director
Superfund Division

DATE: _____

Attachments



December 22, 2010

Via email and US Mail

Mr. Jim McGuire, Chief,
Removal Operations Section
US EPA, Region IV
61 Forsythe Street
Atlanta, Georgia 30303-3104

RE: Welch Environmental Group Sites
Welch – Fair Play, SC Site
Welch – Belton, SC Site

Dear Mr. McGuire:

The purpose of this letter is to formally refer the Welch/Fair Play site and the Welch/Belton sites to EPA's Emergency Response and Removal Branch for consideration of a CERCLA removal action. The Welch/Fair Play Site, is located at 170 Feltman Farm Rd. Fair Play, SC (34.523322°N, -82.991355°W) and the Welch/Belton site is located at 5043 Belton Hwy, Anderson, SC 29621(34.483261°N, -82.563679°W).

The PRP, Welch Environmental Group, operates a business that recovers lead and other metals (copper primarily) from spent munitions at firing ranges gathered from ranges around the southeastern U.S., and then melting the lead into ingots. The melting operations took place at the Welch/Fair Play site. Slag materials are present there as well as at the Belton site. The Belton site was where separation operations were carried out. In addition several hundred drums of salt formulations from a different business venture of Mr. Welch's are present, many of which are uncovered.

These activities were being conducted without any DHEC issued permits.

Blood lead levels in employees at both sites (not including Mr. Welch whom declined) were collected and all 10 were found to have significantly elevated lead levels.

The PRP has been told to shut down all lead recovery operations as of December 2, 2010.

The State Superfund Program is requesting that EPA perform a removal site evaluation at each of these sites to determine if either site qualifies for a federal removal action. The Department would like to participate in any activities and requests that you or your OSC provide us notice of any site visits and removal activities, or any community engagement..

Attached is some supporting information. Attachment 1 is a timeline of DHEC events as they unfolded with photos of both sites. Attachment 2 has site maps for each. We have additional site photos and field and lab analytic data available as you may need it. DHEC has also conducted some limited soil sampling at surrounding properties to the Fair Play site.

Thank you for your consideration of our request. If you would like to discuss this request or need

additional information, please contact me at (803) 896-4054 or Ken Taylor, Division Director, at (803)896-4011 (taylorgk@dhec.sc.gov).

Sincerely,

R. Gary Stewart, P.E., Manager
State Remediation Section
Bureau of Land and Waste Management

Enclosure

cc: Ken Taylor, Director SARR, BLWM, DHEC
Jonathan McInnis
Chris McCluskey, Region 1 EQC Director,
Rick Caldwell, ABC, EQC Bur. Environmental Services
File

Attachment 1:
MEMO: Welch Group Environmental

Written By: Tyler Smith – Anderson EQC

10/13/2010

- Received phone call & email from Susie Makison (Reg I - Anderson Epidemiologist) about Welch Group Environmental employee with blood lead level (BLL) of 97 ppm.
- Susie Makison (864) 202-1390
- Welch Group Environmental has website... <http://hotleadinc.com>. Recycle lead bullets from gun ranges.
- Glenn Welch – owner of Welch Group Environmental (864) 314-3803.
- EFIS – Glenn Welch issued permit Aug. 06, 2007 for Air - asbestos demolition permit at 103 Rice St. Belton, SC 29627 (103 Rice St. Belton – does not exist on Anderson County Tax Assessor)

10/14/2010

- Spoke with Karen Sprayberry (SC DHEC) about Welch Group Environmental. She also spoke with Phyllis Copeland (SC DHEC) about Welch – no air permit. Karen said she would try and contact the Welch employee that had BLL of 97 to find out how he was exposed.

10/15/2010

- Stephanie Smith-Strack (SC DHEC) and I drove around Rice Rd. in Belton – could not locate a facility.

10/26/2010

- Called Scott Hanks (City of Belton – Director of Utilities) to see if he knew about Welch Group Environmental. He said that Welch Group Environmental at one time was operating in a warehouse on Rice Rd. in Belton. He said the warehouse isn't actually on Rice Rd. it is on Palmetto Parkway. Mr. Hanks said he did respond to a fire at this facility and to call Allen Simms with the Fire Department. Mr. Hanks also mentioned that Cummings Gary owns the property at 103 Rice Rd. Belton.
- Allison McCullough (SC DHEC) emailed me Allen Simms (City of Belton Fire Department – Chief) phone number (864) 338-7048.
- I spoke with Chief Simms about Welch Group Environmental. He said that the fire department did receive an emergency call to 103 Rice Rd. Belton, SC about a year to a

year and a half ago for explosion/fire and that a man was burned in the incident. He said that facility did contain a large amount of brass shell casings.

10/28/2010

- Received email from Karen Sprayberry with contact information for Welch Group Environmental employee and that OSHA had been contacted.
 - Earnest Colton
 - Jackson, Mississippi
 - 601-573-7140

10/29/2010

- I spoke with Earnest Colton and he said that he was exposed to the lead from using a leaf blower to separate the brass and lead from dirt and rocks inside the facility. He said that Welch Group Environmental does not melt lead and that he didn't think Welch was operating anymore. Mr. Colton said that he did wear a respirator, but it would clog up while he was wearing it. I asked where the facility was located and he said Belton.

11/2/2010

- Karen Sprayberry called and said that OSHA did an investigation and that Welch Group Environmental was operating in Belton, SC and Fair Play, SC. The Fair Play site is where the lead is melted. Karen gave me the OSHA Contact - Terry Heightbar (803) 896-7728 and (803) 206-0467.
- I called Terry with OSHA - LLR and he described the operation to me.
- Glenn Welch is the owner of Welch Group Environmental and has a processing facility in Belton, located on Belton Hwy. The facility is a white building with 3 bay doors. Brass and lead are processed here and then taken to Fair Play facility to be melted. The Fair Play facility is located on Feltman Farm Rd. The melting is done an open air, 40' x 40' block building with a metal roof. There is a 3'x 3' x 1'deep melting pot located inside the facility. The melting pot is heated by kerosene at 650 degrees Fahrenheit. Impurities are skimmed off and put into a 55 gal container. The melting operation, generally does a minimum of 2500 lbs of lead and could do as much as 25000 lbs in one night. Lead is brought in from other states and is hauled to a site in Tennessee with rental trucks.
- Paul Wilkie (SC DHEC) and I made a site visit to the Welch Group Environmental site located on Belton Hwy. The facility address is 5034 Belton Hwy. There is no business sign/name on the building. It appeared that only sorting is occurring at this address during our visit. No owners were present, only three workers. We spoke with one person who told us that Welch ran the business and his phone number (864) 314-3803.

- During the site visit we estimated there to be around 400-500, 55 gal drums on-site. Many drums are not properly closed. None of the drums are labeled. Many of the open 55 gal drums contained a fine gray metallic dust. The same dust was found in gaylord boxes, these were labeled 2211 9. The majority of the drums are located on the backside of the property.
- I called Chris McCluskey (SC DHEC) and told him what Paul and I found at the site.
- I also called Steve Burdick (SC DHEC) and described the site to him. Steve said he had spoken with Chris McCluskey and they were available to make a site visit tomorrow morning.

11/3/2010

- I called Glenn Welch and asked if he could meet us at his business located on Belton Hwy. He said he wouldn't be available, but for us (SC DHEC) to go ahead and take a look around the site and to take any samples that we needed. Mr. Welch said he would call Felix to let him know we were heading to the site and to open up any drums for us.
- Steve Burdick, Dana Cook (SC DHEC), Chuck Arnold (SC DHEC), Stephanie Smith-Strack and myself made a site visit to the Welch Group Environmental site located on Belton Hwy.
- Upon arrival at the site, I went to the bay door that was open and asked for Felix. Felix came outside and I asked if he would unlock the gate and open a few drums for us. He opened the gate and opened two 55 gal drums for us. Felix stated that the material inside the drum was "salt".
- Steve Burdick used the XRF gun to analyze a representative number of drums on-site that contained what appeared to be different types of material.
- I called Glenn Welch once again asked if our department could take samples. Mr. Welch agreed and said he would be on-site in 20 minutes.
- 68, 55 gal drums (black with white lids) were located behind the main building.
- Glenn Welch arrived at the site around 12:15 pm.
- I asked Glenn Welch what type of material was in the drums. Mr. Welch said that the majority of the drums contained "salt". I asked where the material came from and Mr. Welch said from Fisher/Barton in Fountain Inn and that the company makes lawn mower blades and the salt came from the "quench tanks." Mr. Welch said he had the "salt" analyzed by an independent lab and the 'salt' material wasn't hazardous. Mr. Welch said he would have his assistant Kasey Whitfield send me an email documenting the results.
- I asked Glenn Welch what the fine gray metallic dust was and he said left over material from processing the bullets. He also said that the material that was left over would be returned to the gun ranges in approximately 6-8 months.
- Five split samples were taken from the site. Five samples were given to Glenn Welch on-site.
- I then told Glenn Welch that our department was aware of the melting site in Fair Play and we would like to take a look at the site today. Mr. Welch said he didn't have a key

and he didn't own the property and he would have to call the property owner to see if we could get access. Mr. Welch called the property owner and the property owner said he was in Talledega, AL and he couldn't let us on the property until Monday. I then called Chris McCluskey and told him about the property owner in Fair Play refusing to give us access until Monday. Chris McCluskey then spoke with Stephanie Smith-Strack about obtaining the property owner's name and phone number to speak with him about gaining access to the Fair Play property. Mr. Welch told us the property owner's name in Fair Play was James Feltman and he could be reached at home (864) 647-4157. Stephanie called the number and the phone number that was called had a recording that said this phone is not accepting phone calls. Stephanie asked Mr. Welch if that was the correct number and Mr. Welch said, "yes, I just reached him on it." Stephanie called the number again and once again she received a recording. Stephanie then asked Mr. Welch for another number that Mr. Feltman could be reached. Mr. Welch went to his truck to get another number to call (864) 346-1160. Stephanie did reach Mr. Feltman with this number and Stephanie asked multiple times if our department could be granted access to the property today. She explained that SC DHEC wanted to look at both properties as part of the inspection process. Mr. Feltman was reluctant each time and said he was not in town and we could come on Monday. Stephanie told Mr. Feltman that if our department were not granted access today, our department would begin the process of obtaining a search warrant from the local magistrate in order to gain access. At that time Mr. Feltman said he would call someone to allow our department on the property and he would call Mr. Welch back to let him know who would meet us at property (phone call was made at 1:30 pm). We then left the Belton Hwy site to head to the Fair Play site. Stephanie received a phone call (1:46 pm) from Mr. Welch saying he would meet us at the property in Fair Play.

- We arrived at the Fair Play site around 3:22 pm, where we met Glenn Welch and James Feltman. The site is located at Feltman Farm Rd. in Fair Play, SC.
- Glenn Welch described the process at the facility. Mr. Welch said that lead is placed in the "re-melting pot" (3' x 3' x 1' deep – surrounded by brick). The lead is heated to 675 degrees Fahrenheit. Stephanie Smith-Strack asked how do you know when you have reached that temperature. Mr. Welch said I used to have a thermostat, but we don't have one anymore, he said that the way he tells that it's at the right temperature is when there are just fumes and not smoke. Once the lead is melted, the copper and slag is skimmed off the top and placed in a 55 gal drum. The molten lead is poured into ingot molds utilizing 1 gal paint buckets. Once the skimmed material dries it is screened. The copper is sold and the other "material" is put back into 55 gal drums. 50 drums of this "material" were sitting outside the facility, not labeled or closed. There is an accumulation of gray dust that was swept outside the facility entrance onto the ground. The facility is 42' x 42' in size. Mr. Welch said that the lead ingots are sold to O. G. Kelley in Johnston City, TN. www.ogkelley.com No samples were taken at this facility, but the XRF gun was used. The material at this site was representative of what was at the Welch Group Environmental site in Belton. Stephanie told Mr. Welch that he would receive an Air Quality violation for operating without a permit. If Mr. Welch had any documentation from BAQ to send it to Stephanie by 11/8/2010. We then exited the facility at 4:30 pm.

11/4/2010

- Documents concerning the air permit were faxed today. Documents that were supplied to Stephanie were communication between Welch group and SC DHEC Small Business. There was no determination of exemption. A construction permit application has not been submitted. Also included was communication between Welch group and an engineering firm. The description of the system that the submitted to the engineering firm for the requirements to complete the air permit does not match what is actually on site.

WELCH GROUP ENVIRONMENTAL – BELTON FACILITY



68 drums located behind main building



Estimated 350-400 drums located on backside of facility



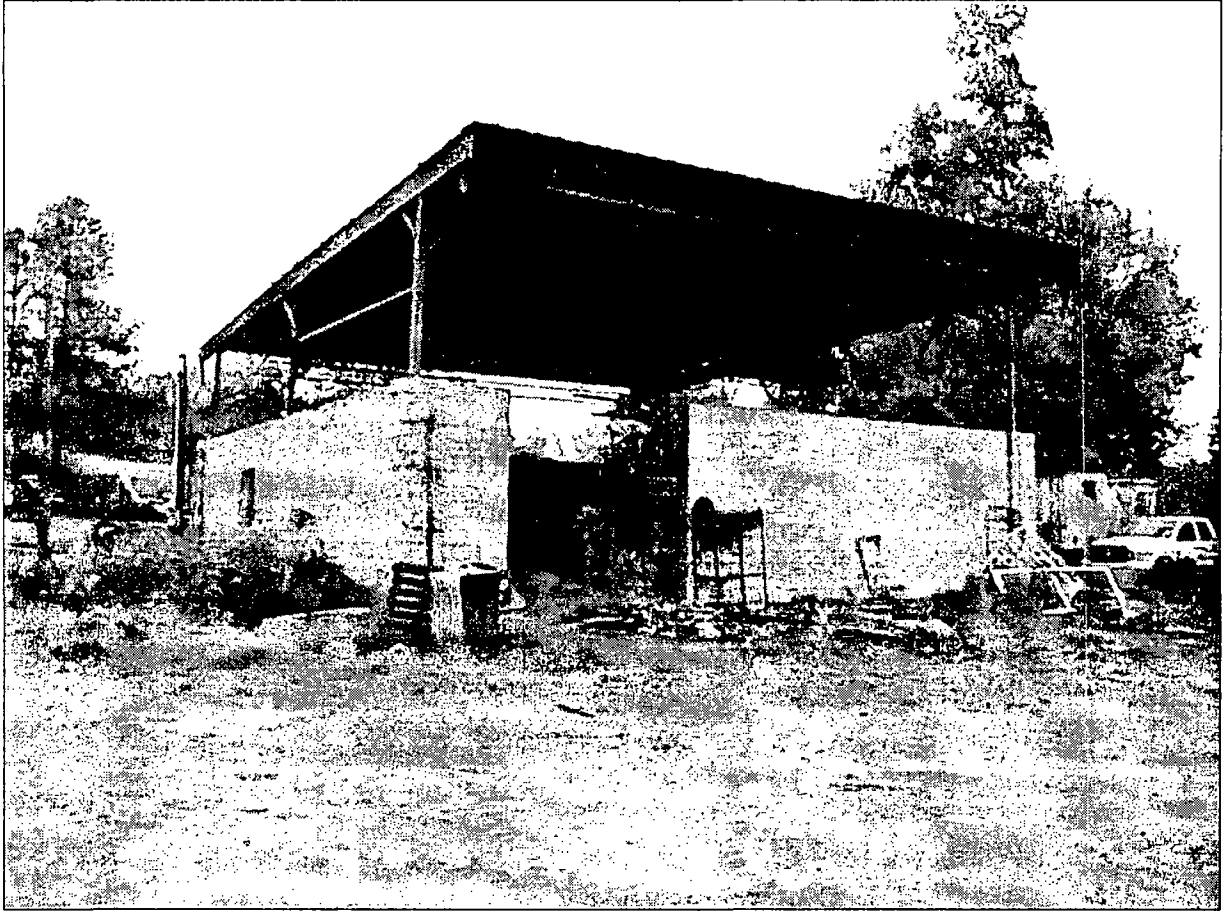
Gray powder/dust – left over material from processing/melting lead





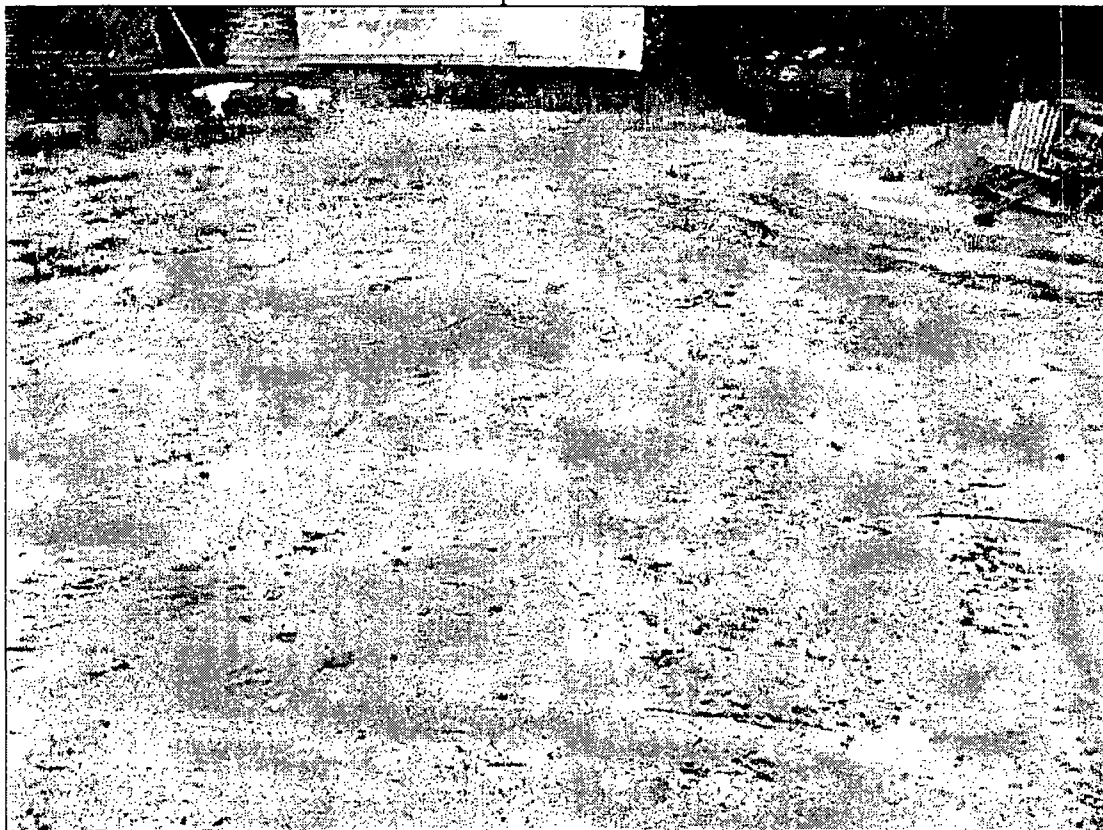


WELCH GROUP ENVIRONMENTAL – FAIR PLAY FACILITY

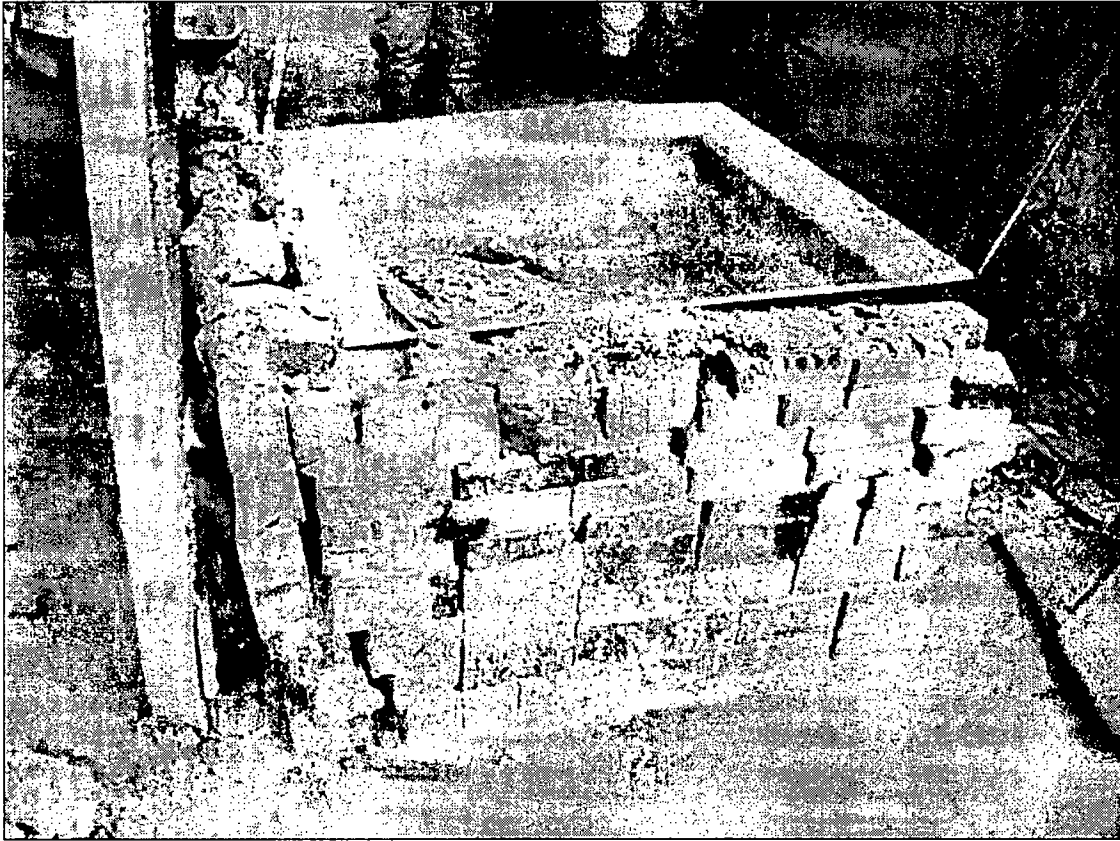




Leftover processed material



Melter (3' x 3' x 1' deep)



Melter and splattered lead on wall



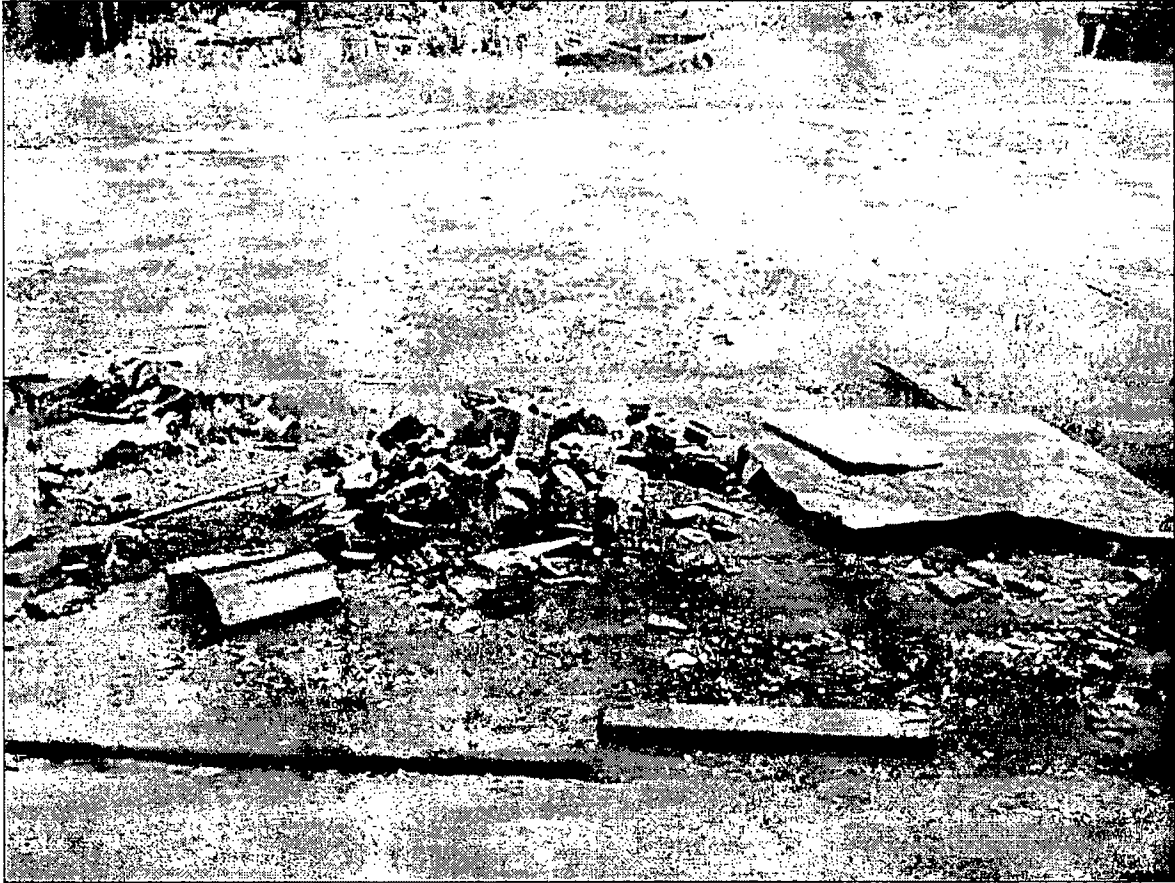
Processed material swept outside



Processed material/slag inside facility



More processed material swept outside



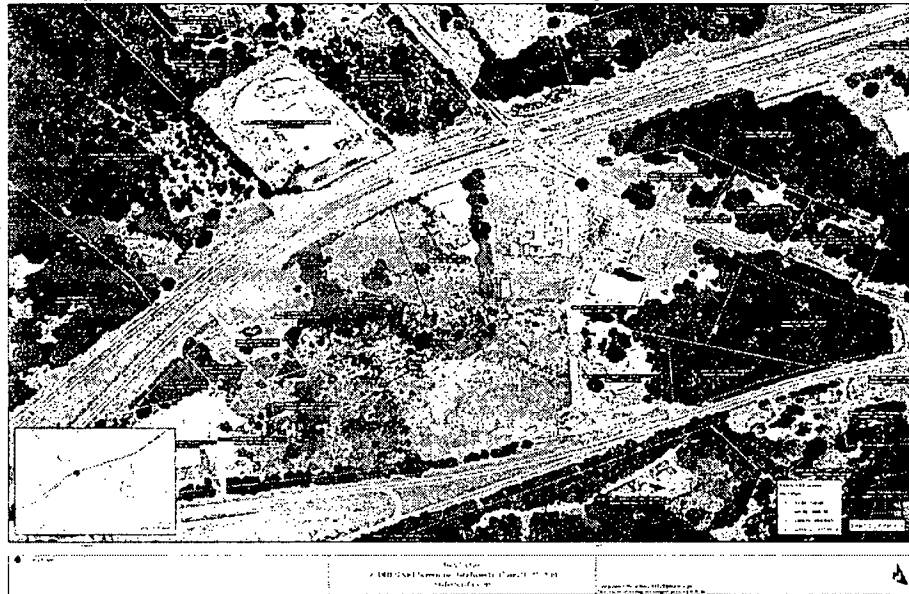
Total of 42 drums in this area – processed material



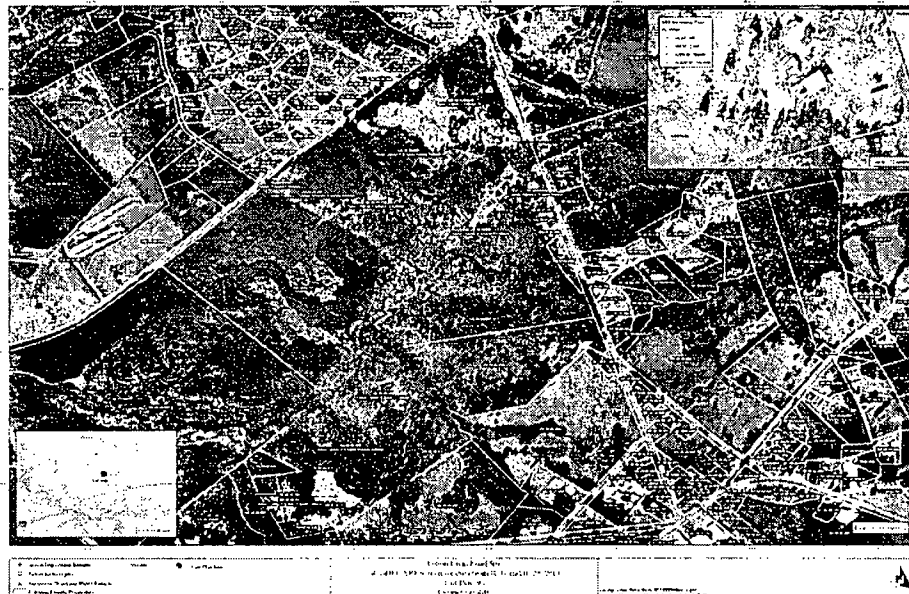
Attachment 2

Site Maps:

Belton



Fair Play:

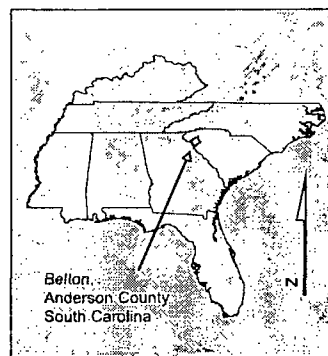




Legend

△ Site Location

Feet
0 1,500 3,000



**WELCH GROUP ENVIRONMENTAL
ANDERSON,
ANDERSON COUNTY
SOUTH CAROLINA**
TDD NO. TNA-05-001-0127

**FIGURE 1
TOPOGRAPHICAL MAP**



United States Environmental Protection Agency

OTI

Disclaimer: The map is intended for visual orientation use only. In no way is this map to be used for precise locational use.

TOP 50 USGS

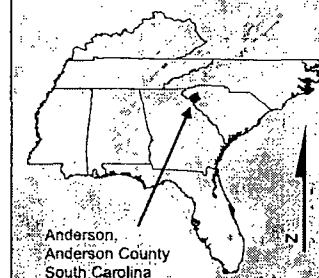


Legend

Welch - Anderson Parcel

△ Site Location

0 75 150
Feet



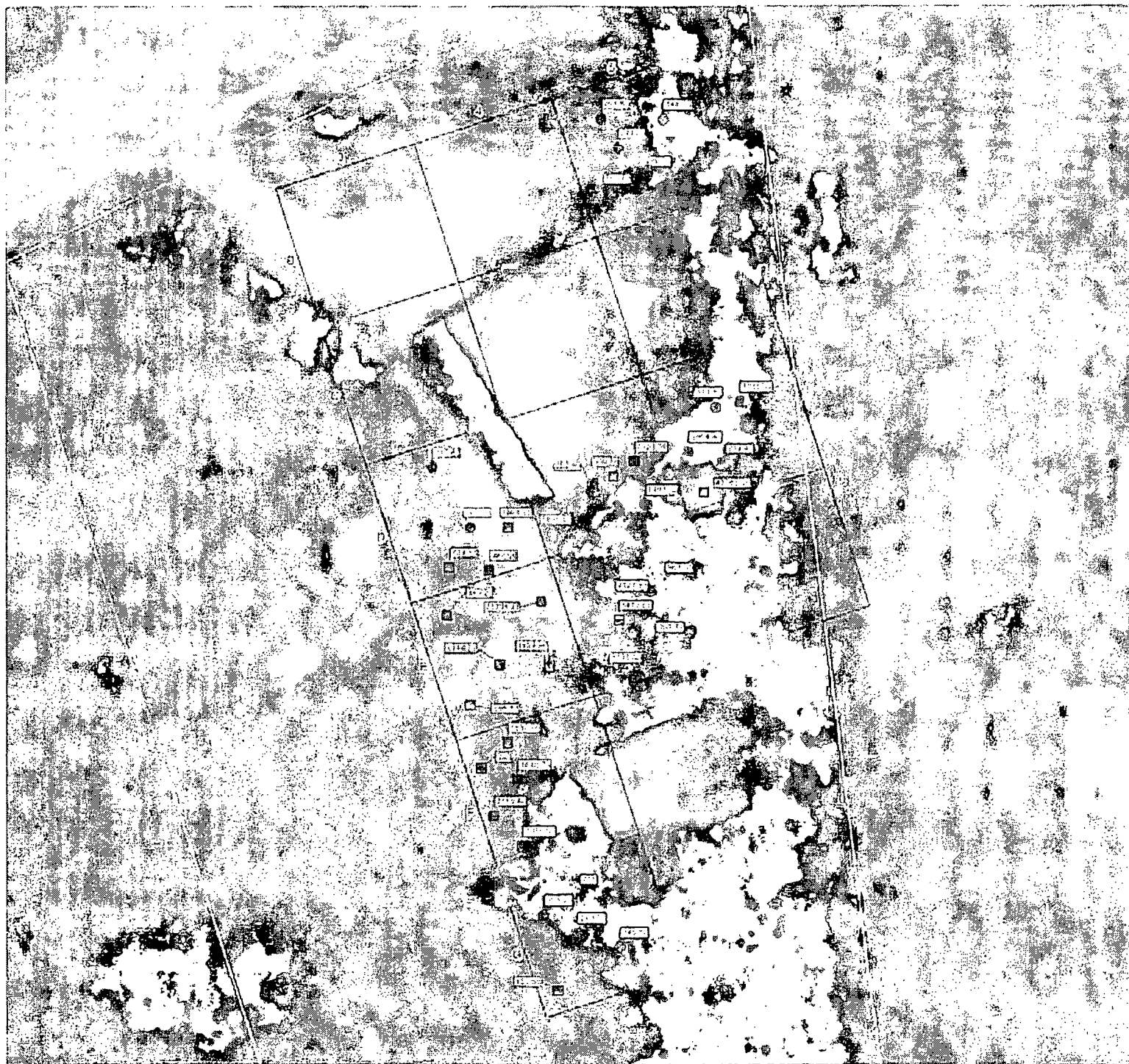
WELCH ENVIRONMENTAL GROUP
ANDERSON,
ANDERSON COUNTY
SOUTH CAROLINA
TDD NO. TNA-05-001-0127

FIGURE 2 AERIAL MAP



United States Environmental Protection Agency

ONE



Legend

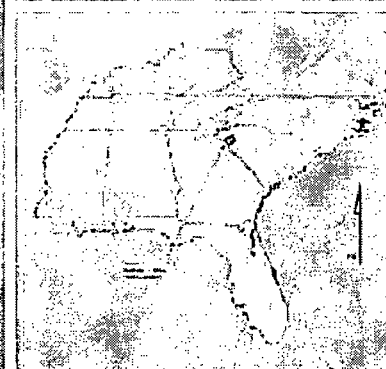
Welch - Anderson Parcel

Sample Grid

- Below 400 ppm (EPA)
- Above 400 ppm (EPA)

EDC Environmental Protection Agency
 4000 - 4000 ppm (EPA)
 The data reported are based on the results of the analysis of the soil samples collected at the site.
 The data are based on the results of the analysis of the soil samples collected at the site.

0 30 60
 Feet

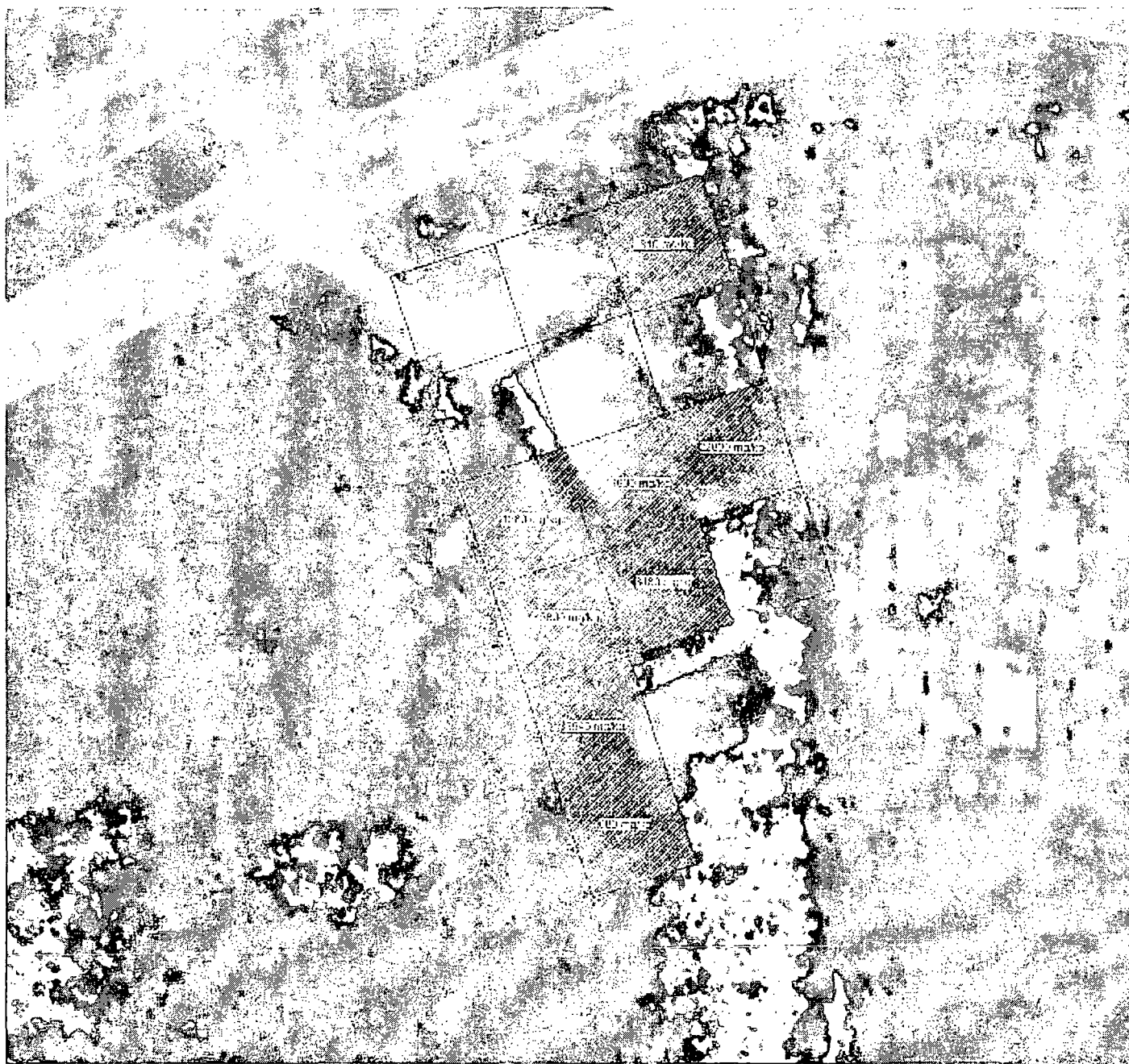


WELCH GROUP ENVIRONMENTAL
 ANDERSON,
 ANDERSON COUNTY,
 SOUTH CAROLINA
 TDD NO. TNA-05-001-0127

FIGURE 3
SURFACE SOIL
XRF RESULTS MAP



United States Environmental Protection Agency



Legend

Welch - Anderson Parcel

Sample Grid

Laboratory Results compared to the EPA
Regional Screening Level of 400 mg/kg

Note:
Shaded areas are the land
subject to the 400 mg/kg lead screening level.

Feet
0 50 100



WELCH GROUP ENVIRONMENTAL
ANDERSON,
ANDERSON COUNTY,
SOUTH CAROLINA
TDD NO. TWA-05-005-0122

FIGURE 4 LEAD SOIL CONCENTRATION MAP



United States Environmental Protection Agency

ATTACHMENT C
Table

TABLE 2
WELCH GROUP ENVIRONMENTAL
REMOVAL SITE INSPECTION
ANDERSON, ANDERSON COUNTY, SOUTH CAROLINA
SUMMARY OF LABORATORY RESULTS FOR THE SOIL SAMPLING LOCATIONS
FEBRUARY 2, 2011

Sample Identification	Region 4 RSL (Residential Soil)	Region 4 RSL (Industrial Soil)	A01-B5 (0-6)		A02-D5 (0-6)		D5-100		A03-D4 (0-6)		A04-E4 (0-6)	
Sample Depth (fbgs)			0.5		0.5		0.5		0.5		0.5	
Collection Date			2/2/2011		2/2/2011		2/2/2011		2/2/2011		2/2/2011	
Matrix			Surface Soil		Surface Soil		Surface Soil		Surface Soil		Surface Soil	
Sample Type			Field Sample		Field Sample		Duplicate Sample		Field Sample		Field Sample	
Metals, Total (mg/kg)												
Aluminum	77000	990000	2840		4260		--		--		--	
Antimony	31	410	8.69		379		--		--		--	
Arsenic	0.39	1.60	1.68	B	53.1		--		--		--	
Barium	15000	190000	67.1		93.9		--		--		--	
Beryllium	160	2000	0.15	B	0.23	B	--		--		--	
Cadmium	70	800	1.33		1.62		--		--		--	
Calcium	NL	NL	1240		2410		--		--		--	
Chromium	120000	1500000	9.16		23.5		--		--		--	
Cobalt	23	300	1.9		4.24		--		--		--	
Copper	3100	41000	43.4		941		--		--		--	
Iron	55000	720000	11200		40900		--		--		--	
Lead	400	1200	1810		22800		60600		11600		3480	
Magnesium	NL	NL	1120		1260		--		--		--	
Manganese	1800	23000	151		248		--		--		--	
Nickel	1500	20000	7.77		96.2		--		--		--	
Potassium	NL	NL	1370		1570		--		--		--	
Selenium	390	5100	0.22	U	0.48	U	--		--		--	
Silver	390	5100	0.04	U	1.23		--		--		--	
Sodium	NL	NL	34.3	B	57.8	B	--		--		--	
Thallium	NL	NL	0.11	U	0.25	U	--		--		--	
Vanadium	390	5200	6.92		15.6		--		--		--	
Zinc	23000	310000	202		263		--		--		--	
Mercury	5.6	34	0.014		0.064		--		--		--	

Notes:

RSL - Regional Screening Level

bold - Concentration exceeds the RSL for residential/industrial soil.

U - Analyte was not detected above the associated value.

J - Value is estimated

B - Analyte was found in the method blank sample.

mg/kg - Milligrams per kilogram

fbgs - Feet below ground surface

NL - Not listed

NA - Not analyzed

TABLE 2
WELCH GROUP ENVIRONMENTAL
REMOVAL SITE INSPECTION
ANDERSON, ANDERSON COUNTY, SOUTH CAROLINA
SUMMARY OF LABORATORY RESULTS FOR THE SOIL SAMPLING LOCATIONS
FEBRUARY 2, 2011

Sample Identification	Region 4 RSL (Residential Soil)	Region 4 RSL (Industrial Soil)	A05-F3 (0-6)	F3-101	A06-E3 (0-6)	A07-D3 (0-6)	A08-G3 (0-6)
Sample Depth (ftgs)			0.5	0.5	0.5	0.5	0.5
Collection Date			2/2/2011	2/2/2011	2/2/2011	2/2/2011	2/2/2011
Matrix			Surface Soil	Surface Soil	Surface Soil	Surface Soil	Surface Soil
Sample Type			Field Sample	Duplicate Sample	Field Sample	Field Sample	Field Sample
Metals, Total (mg/kg)							
Aluminum	77000	990000	11600	13000	11100	--	6130
Antimony	31	410	20.7	22.6	1730	--	7.53 B
Arsenic	0.39	1.60	22.7	30.4	268	--	4.23 B
Barium	15000	190000	494	245	96.4	--	67
Beryllium	160	2000	0.56	1	0.3 B	--	0.2 B
Cadmium	70	800	16.1	9.09	1.42	--	1.38
Calcium	NL	NL	3800	2020	1280	--	683
Chromium	120000	1500000	42.5	41.1	17.1	--	42.8
Cobalt	23	300	7.28	8.33	5.38	--	2.95
Copper	3100	41000	574	725	4270	--	210
Iron	55000	720000	34400	32800	16600	--	28000
Lead	400	1200	3940	4310	45600	1360	680
Magnesium	NL	NL	4360	3510	2950	--	834
Manganese	1800	23000	290	330	175	--	223
Nickel	1500	20000	27.6	32.4	13.1	--	22.6
Potassium	NL	NL	3470	4280	2720	--	1090
Selenium	390	5100	2.37 B	1.12 B	0.77 B	--	1.11 U
Silver	390	5100	0.49 B	0.86 B	6.01	--	0.28 B
Sodium	NL	NL	151	168	131	--	93.3 B
Thallium	NL	NL	0.25 U	0.27 U	0.24 U	--	0.58 U
Vanadium	390	5200	31.1	34.8	29.6	--	17
Zinc	23000	310000	921	1060	343	--	1300
Mercury	5.6	34	0.14	0.2	0.02	--	0.025

Notes:

RSL - Regional Screening Level

bold - Concentration exceeds the RSL for residential/industrial soil.

U - Analyte was not detected above the associated value.

J - Value is estimated

B - Analyte was found in the method blank sample.



March 4, 2011

Mr. Leo Francendese
On-Scene Coordinator
U.S. Environmental Protection Agency
61 Forsyth Street, SW 11th Floor
Atlanta, Georgia 30303

**Subject: Removal Site Inspection, Revision 0
Welch Group Environmental (WGE) Belton Site
5043 Belton Highway, Anderson County, Anderson, South Carolina
EPA Contract No. EP-W-05-053
Technical Direction Document (TDD) No. TNA-05-001-0127**

Dear Mr. Francendese:

Oneida Total Integrated Enterprises (OTIE) Superfund Technical Assessment and Response Team (START) are submitting one copy of the Removal Site Inspection (RSI) for the Welch Group Environmental (WGE) Belton facility located in Anderson, Anderson County, South Carolina.

Please contact me at (678) 355-5550 ext. 5708 if you any questions or comments regarding this report.

Sincerely,

Jerry Partap
START Project Manager

Enclosure

cc: Katrina Jones, EPA Project Officer
Darryl Walker, EPA Project Officer
Russell Henderson, START Program Manager (w/o enclosure)
START File

**REMOVAL SITE INSPECTION
WELCH GROUP ENVIRONMENTAL (WGE)
BELTON SITE
ANDERSON, ANDERSON COUNTY, SOUTH CAROLINA**

Revision 0

Prepared for:

U.S. ENVIRONMENTAL PROTECTION AGENCY
Region 4
61 Forsyth Street
Atlanta, Georgia 30303

Prepared by:

Oneida Total Integrated Enterprises
Superfund Technical Assessment and Response Team
1220 Kennestone Circle, Suite 106
Marietta, Georgia 30060

Contract No.	:	EP-W-05-053
TDD Number	:	TNA-05-001-0127
Date Submitted	:	February 28, 2011
EPA OSC	:	Leo Francendese
Telephone No.	:	404-606-2223
Prepared by	:	Jerry Partap
Telephone No.	:	678-355-5550 ext. 5708

1.0 INTRODUCTION

The U.S. Environmental Protection Agency (EPA) tasked the Oneida Total Integrated Enterprises (OTIE) Superfund Technical Assessment and Response Team (START) to perform field activities in support of the On Scene Coordinator (OSC) for the U.S. Environmental Protection Agency (EPA) at the Welch Group Environmental (WGE) Belton Site, located in Anderson, Anderson County, South Carolina. The field activities include maintaining the EPA OSC site webpage, compiling site history and maps and managing field data. The site activities are conducted under Contract Number (No.) EP-W-05-053 and Technical Direction Document (TDD) No. TNA-05-001-0127. The general purpose of the RSI is to collect information to assist in determining whether Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) hazardous substances have been released into the environment. Specifically, findings will identify the need for federal intervention under the CERCLA of 1980 and the Superfund Amendments and Reauthorization Act (SARA) of 1986. In addition, the EPA OSC expanded the scope of the above actions by directing the PRP to conduct an emergency response (Pol/SitRep#1). START expanded its role in support of this additional action.

Specifically, START was tasked with the following:

- Preparing a Health and Safety Plan (HASP);
- Preparing a Quality Assurance Project Plan (QAPP)/Site Sampling Plan (SSP) (Soil Sampling Plan);
- Screening surface and subsurface soil for lead concentrations using a Niton[®] X-Ray Fluorescence (XRF) elemental detector;
- Submitting a limited number of soil samples to a non-Contract Laboratory Program (non-CLP) laboratory for total lead analysis (Belton Site Lab Report);
- Documenting site activities with written logbook notes (Field Notes) and digital photographs (Photolog), maintain the OSC webpage (OSC Webpage); and,
- Preparing a comprehensive report summarizing the site conditions, field investigation activities, and analytical results of the RSI.

This RSE Report summarizes the existing conditions at the site; describes the field investigation activities conducted by START in February 2011; and, delineates the limits, nature, and extent of soil contamination at the site. All activities and procedures described in this report were performed in accordance with the EPA Region 4 *Field Branches Quality System and Technical Procedures* (FBQSTP) (EPA Region 4 Technical Procedures).

2.0 SITE BACKGROUND

This section discusses the site characteristics, previous investigations, and environmental setting of the area.

2.1 SITE DESCRIPTION

The site is located in Anderson, Anderson County, South Carolina. The geographic coordinates are 34° 31' 24.12" North latitude and 82° 59' 28.73" West longitude ([Figure 1](#)). The site is comprised of two one-story buildings, and the property extent is approximately 3 acres.

The site is bordered by Belton Highway to the north, a cemetery to the east, agricultural land to the south, and woods to the west ([Figure 2](#)). Topographically, the site drains generally to the southwest.

The property is owned by Mr. David Jones and leased to Glenn Welch (WGE). WGE operations are involved in recovering lead from both indoor and outdoor shooting ranges across the United States ([Access Approval](#)).

2.2 PREVIOUS INVESTIGATIONS

The South Carolina Department of Health and Environmental Control (SC DHEC) conducted an initial site inspection on November 3, 2010. Details of the SC DHEC report can be found on the OSC web page at the following link ([SC DHEC Memo](#)).

The site was referred to the EPA on December 22, 2010 by the South Carolina Bureau of Land and Waste Management. Details of the SC DHEC referral letter can be found on the OSC web page at the following link ([SC DHEC Referral](#)) .

On January 31, 2011, the EPA On-Scene Coordinator (OSC), SC DHEC, START, the property owner (David Jones), and WGE (Glenn Welch) conducted a removal site inspection. According to Mr. Welch, WGE has been operating at this location for approximately 14 months. WGE used this location for material separation of recovered range materials. After material separation, the lead material was transported to the Fair Play, South Carolina location for smelting. The second warehouse building was

used for storage of unrecovered bullets that were still embedded into the rubber resin bullet trap. The photographic log ([Photolog](#)) and field logbook notes ([Field Notes](#)) can be found at the above link.

3.0 FIELD INVESTIGATION ACTIVITIES

On February 2 2011, START performed a RSE that included soil screening, soil sampling, and analysis activities at the site to identify the nature and extent of lead contamination in on-site soils from site operations. START utilized an XRF instrument to screen on-site soils for lead contamination to a maximum depth of 6 inches below ground surface (bgs). The EPA OSC indicated that soil samples were only to be collected from 0 to 6 inches bgs. Surface soil grab samples (0 to 6 inches bgs) were collected and screened using the XRF.

START collected a total of 40 discrete surface soil samples from eight grids using stainless steel spoons for screening using the XRF. In addition, composite samples of the screened soils were submitted to Gulf Coast Analytical Laboratories (GCAL) for analysis of total lead in accordance with SW846 Method 6010C and Target Analyte List (TAL) Metals in accordance with SW846 Method 6010C/7471B. START collected a total of eight composite samples and one duplicate composite sample for total lead and five composite samples and one duplicate composite sample for TAL Metals. The data gathered during the RSE will be used to determine the release or substantial threat of release of a CERCLA hazardous substance.

Geographic positioning information was collected for all sampling locations and was geographically referenced using ArcView and uploaded to a hand-held Trimble® Global Positioning System (GPS). [Table 1](#) provided in Appendix B presents the GPS coordinates for each sample location.

3.1 SURFACE SOIL SCREENING AND SAMPLING

On February 2, 2011, START collected surface soil samples for screening purposes. The site was subdivided into 50 foot (ft) x 50 ft sampling grids as shown in [Figure 3](#), Appendix A. Based on the site topography and drainage pattern, the EPA OSC directed START to grid areas along the drainage patterns. Five-point discrete surface soil samples (0 to 6 inches) were collected from each grid location and screened using the XRF. Each sample was collected using stainless steel spoons, placed in zip top bags, and screened using the XRF. The lead results detected on the XRF were compared to the Region 4

Regional Screening Level (RSL) for residential soil of 400 parts per million (ppm). Screening results for each sample location are found on Figure 3 and are summarized in Table 1.

The five discrete samples from each of the eight grids sampled were homogenized in stainless steel bowls, containerized, placed on ice, documented, and shipped under standard chain-of-custody procedures to GCAL in Baton Rouge, Louisiana. The soil samples were compared to the Region 4 RSL for residential soil (400 ppm). A summary of the laboratory analytical results for each sample collected are found on Table 2. Figure 4 depicts the areas of lead impacts to the surface soils.

3.2 OSC REQUIRED EMERGENCY RESPONSE (ER) ACTIONS

On February 1, 2011, the EPA discussed with WGE the ER actions required to secure the site (WGE Workplan). The EPA OSC directed WGE to immediately complete the following site tasks (WGE Progress Report):

- 1) Install silt fencing to limit the further impact of potentially impacted surface water off-site;
- 2) Determine and secure drums containing hardened salt;
- 3) Secure and/or all open containers with lead related material in the warehouse pending disposal/recycling;
- 4) Segregate empty drums, scrap metal and trash in piles pending disposal/recycling.

3.3 XRF SCREENING OF THE WAREHOUSE AREA

On February 2, 2011, the EPA OSC tasked START to screen the floor of the warehouse and the associated equipment. The lead results detected on the XRF were compared to the Region 4 RSL for residential soil (400 ppm). The XRF results indicated the warehouse floor and equipment had elevated lead readings. A summary of the XRF readings is presented on Table 3. Figure 5 show the sampling location and XRF readings.

3.4 SITE SECURITY AND MISCELLANEOUS ITEMS

During the RSE, shell casings and bullet remains were discovered in the natural drainage patterns at the site. As a result, the EPA OSC instructed WGE to install silt fencing to limit the further impact of

potentially impacted surface water off-site. A photographic log Photolog shows where silt fencing was installed around the site.

During the RSE drums, steel containers, scrap metal, and trash were observed on site. The inventory of items at the back of the property was as follows (WGE Progress Report):

- 1) Approximately 941 55-gallon steel drums of a hardened salt (NuSal);
- 2) Approximately 66 drums of lead derived material;
- 3) 21 metal square containers (lead material);
- 4) One cardboard box (lead material);
- 5) 23 blue drums with material;
- 6) 24 empty drums.

On November 3, 2010, SCDHEC submitted samples of the NuSal for analysis. The samples were varying shades of white, gray, or brown in color. A summary of the laboratory data indicated the white/gray portion of the sample was composed of potassium chloride and sodium chloride. The brown portion of the sample was a mixture of five salts which included potassium chloride, sodium chloride, potassium nitrate, sodium nitrate, and sodium nitrite. The complete laboratory analysis and the SCDHEC report is located on the EPA OSC webpage at (SC DHEC Site Sampling Report). This material does not qualify as a CERCLA hazardous substance or pollutant/contaminant and is not part of this enforcement action. Nevertheless, SCDHEC expressed an interest in the PRP properly managing this material and the issue was deferred to SCDHEC oversight.

4.0 QUALITY ASSURANCE/QUALITY CONTROL

QA/QC data are necessary to determine precision and accuracy and to demonstrate the absence of interferences and/or contamination of sampling equipment, glassware, and reagents. This section describes the QA/QC measures taken and provides an evaluation of the usability of data presented in this report.

A total of two duplicates (D5-100 and F3-101) for total lead were submitted to GCAL for analysis. The native sample (A05-F3) and its duplicate (F3-101) were within permissible limits of each other as allowed by the National Functional Guidelines (NFG) for lead. However, the native sample (A02-D5) and its duplicate (D5-100) had a high percent difference between the two samples (90%) for lead. This difference can be attributed to the heterogeneity of the soil.

5.0 SITE INVESTIGATION RESULTS

The following sections summarize the XRF and laboratory results for soil samples collected during the RSI field sampling activities. As discussed, 40 discrete surface soil samples were collected from 8 grids. XRF screening results indicate concentrations of lead above the Region 4 RSL were detected in Grids D3, D4, D5, E3, E4, F3, and G3. The screening results for each sample location are summarized in [Table 1](#) and are shown on [Figure 3](#).

Soil samples from the 8 grids were homogenized and submitted for laboratory analysis. The analytical data indicates soil concentrations of lead were above the residential RSL of 400 mg/kg in the samples collected from all 8 grids. Soil concentrations ranged from 680 mg/kg in Grid G3 to 45,600 mg/kg in Grid E3. A summary of the laboratory analytical results for each sample collected are found on [Table 2](#). [Figure 4](#) depicts the areas of lead impacts to the surface soils. The laboratory analytical report can be viewed at the following link ([Laboratory Report](#)).

6.0 SUMMARY AND CONCLUSIONS

WGE leases the property from Mr. David Jones and has been operating a business that recovers lead and other metals from spent munitions at firing ranges gathered from around the Southeast. The WGE Anderson site conducted material separation as well as distribution of recycled material.

WGE was directed by the EPA OSC to submit workplans that were approved for securing the facility. WGE installed silt fencing to limit the amount of potentially impacted surface water leaving the site. Based on the XRF data collected by START during the RSE, the warehouse was limited to activity. Drums and metal containers of exposed lead material that existed on-site were moved and secured in the warehouse for further disposal. The remaining drums in various conditions of deterioration were secured on-site until further determination by the EPA OSC.

On February 17th, the EPA OSC requested that WGE prepare the following plans for the WGE Anderson facility:

- ***Waste Characterization Plan*** (re. sampling) in order to gather the necessary information for an eventual ***Disposal/Recycling Options Analysis***.
- ***Decontamination/Demolition Plan*** for remaining debris and structures exceeding the lead cleanup criteria.
- ***Soils Removal and Disposal Plan*** for soils exceeding the cleanup criteria.

Further activities associated with this site will be determined by the EPA OSC. The EPA OSC anticipates that the management of the site will transition into a time critical removal action under an EPA Administrative Order on Consent.

PROGRESS NOTES

Date: February 18, 2011



COMPLETED ACTION:

1. Finished repackaging lead material from cardboard containers

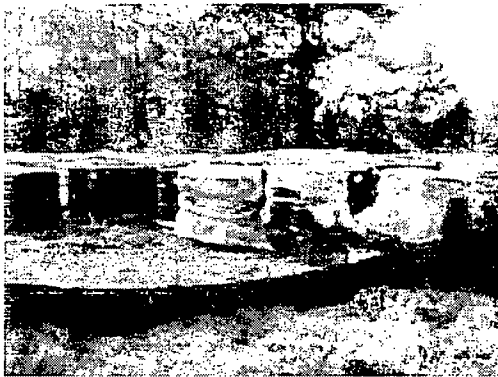


2. Finished covering drums total (lower portion)



WGE BELTON SITE

(upper portion)



3. One drum of lead material left outside (inaccessible at this time)



4. There are now a total of 61 drums inside





5. Relocate/ gather like materials



Cardboard



Miscellaneous Trash



Empty Drums





Labeled drums

6. Decon Equipment

- 1. Bobcat**
- 2. Set of Forks**

Total Drum Count: Inside

66 – 62 lead 4 HAZCAT

1-Card board Box (lead)

21 Metal square Containers (lead)

Outside

Upper portion (345)

Lower portion (596)

Blue Drums with material (23)

Empty Drums (24)

Site Supervisor

Michael Mraovich

ENCLOSURE D

WELCH GROUP ENVIRONMENTAL BELTON SITE

Instructions

1. A separate response must be made to each of the questions set forth in this Information Request.
2. Precede each answer with the corresponding number of the question and the subpart to which it corresponds.
3. In answering each question, identify all documents and persons that contributed information relating to each question.
4. For each document produced in response to this Information Request indicate on the document, or in some other reasonable manner, the number of the question and the subpart to which it responds.
5. If information not known or not available to you as of the date of submission of a response to this Information Request should later become known or available, you must supplement your response to the EPA. Moreover, should you find at any time after the submission of your response that any portion of the submitted information is false or misrepresents the truth, you must notify the EPA thereof as soon as possible.
6. The information requested herein must be provided notwithstanding its possible characterization as confidential information or trade secrets. You may, if you desire, assert a business confidentiality claim covering part or all of the information requested, pursuant to Sections 104(e)(7)(E) and (F) of CERCLA, 42 U.S.C. Sections 9604(e)(7)(E) and (F); Section 3007(b) of RCRA, 42 U.S.C. Section 6927(b); and 40 C.F.R. Section 2.203(b).

To make a confidentiality claim, please write or type "CONFIDENTIAL" on all confidential responses and any related confidential documents. Confidential portions of otherwise nonconfidential documents should be clearly identified. You should indicate a date, if any, after which the information need no longer be treated as confidential. Please submit your response so that all nonconfidential information, including any redacted versions of documents are in one envelope, and all materials for which you desire confidential treatment are in another envelope.

If no such claim accompanies the information when it is received by the EPA, it may be made available to the public by the EPA without further notice to you. You should read the above cited regulations carefully before asserting a business confidentiality claim, since certain categories of information are not properly the subject of such a claim.

7. Personnel, medical files, and similar files in which the disclosure to the general public may constitute an invasion of privacy should be segregated from your responses, included on separate sheet(s), and marked as "Personal Privacy Information."
8. Where specific information has not been memorialized in any document, but is nonetheless responsive to a question, you must respond to the question with a written response.

9. If information responsive to this Information Request is not in your possession, custody, or control, then identify the person from whom such information may be obtained.

10. If you have objections to some or all of the questions within the Information Request, you are still required to respond to each of the questions.

Definitions

The following definitions shall apply to the following words as they appear in **Enclosure E**:

1. The term "you" or "Respondent" shall mean David B. Jones.
2. The term "person" shall have the same definition as in Section 101(21) of CERCLA: an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, United States Government, State, municipality, commission, political subdivision of a State, or any interstate body.
3. The terms the "Site" or the "facility" shall mean and include the property encompassing approximately three acres and Tax Parcels 202007001 and 2030001001, located on or about Belton Highway, Anderson County, South Carolina.
4. The term "identify" means, with respect to a natural person, to set forth the person's name, present or last known business address and business telephone number, present or last known home address and home telephone number, and present or last known job title, position or business.
5. The term "identify" means, with respect to a corporation, partnership, business trust or other association or business entity (including a sole proprietorship), to set forth its full name, address, legal form (e.g., corporation, partnership, etc.), organization, if any, and a brief description of its business.
6. The term "identify" means, with respect to a document, to provide its customary business description, its date, its number, if any (invoice or purchase order number), the identity of the author, addressor, addressee and/or recipient, and the substance or the subject matter.
7. The terms "document" and "documents" shall mean any object that records, stores, or presents information, and includes writings of any kind, formal or informal, whether or not wholly or partially in handwriting, including by way of illustration and not by way of limitation, any invoice, manifest, bill of lading, receipt, endorsement, check, bank draft, canceled check, deposit slip, withdrawal slip, order, correspondence, record book, minutes, memorandum of telephone and other conversations including meetings, agreement and the like, diary, calendar, desk pad, scrapbook, notebook, bulletin, circular, form, pamphlet, statement, journal, postcard, letter, telegram, telex, report, notice, message, analysis, comparison, graph, chart, interoffice or intra office communications, photostat or other copy of any documents, microfilm or other film record, any photograph, sound recording on any type of device, any punch card, disc or disc pack; any tape or other type of memory generally associated with computers and data processing (together with the programming instructions and other written material necessary to use such punch card, disc, or disc pack, tape or other type of memory and together with printouts of such punch card, disc, or disc pack, tape or other type of memory); and (a) every copy of each document which is not an exact duplicate of a document which it produces, (b) every copy which has any writing, figure or notation, annotation or the like on it, (c) drafts, (d) attachments to or enclosures with any document, and (e) every document referred to in any other document.

8. The terms "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of this Information Request any information which might otherwise be construed to be outside its scope.
9. The term "arrangement" means every separate contract or other agreement between two or more persons.
10. The terms "transaction" or "transact" mean any sale, transfer, giving, delivery, change in ownership, or change in possession.
11. Words in the masculine shall be construed in the feminine, and vice versa, and words in the singular shall be construed in the plural, and vice versa, where appropriate in the context of a particular question or questions.
12. All terms not defined herein shall have their ordinary meaning, unless such terms are defined in CERCLA, RCRA, 40 C.F.R. Part 300, or 40 C.F.R. Parts 260-280, in which case the statutory or regulatory definitions shall apply.
13. The term "property interest" means any interest in property including but not limited to, any ownership interest, including an easement, any interest in the rental of property, any interest in a corporation that owns or rents or owned or rented property, and any interest as either the trustee or beneficiary of a trust that owns or rents, or owned or rented property.
14. The term "asset" shall include the following: real estate, buildings or other improvements of real estate, equipment, vehicles, furniture, inventory, supplies, customer lists, accounts receivable, interest in insurance policies, interests in partnerships, corporations and unincorporated companies, securities, patents, stocks, bonds, and other tangible as well as intangible property.

ENCLOSURE E

WELCH GROUP ENVIRONMENTAL BELTON SITE

Information Request Questions

1. Identify the person(s) answering these questions on behalf the Respondent, including all persons consulted in answering these questions and the documents consulted, examined, or referred to in preparation of answering these questions. Provide true and accurate copies of all such documents.
2. Provide a description of all real and personal property currently owned by you. In your response, please provide:
 - a. Address, parcel, and/or property description;
 - b. Nature of interest;
 - c. Date when the real and/or personal property was purchased or acquired;
 - d. The appraised and market value of the personal and/or real property; and,
 - e. A description of any liens, encumbrances, or mortgages filed on each property and the amount of each.
3. Do you still own the Site? If not, please provide:
 - a. Date when the property was sold;
 - b. Name of the seller;
 - c. Name of the buyer;
 - d. Contract price; and,
 - e. Copies of deeds and any relevant documents.
4. Are you a beneficiary or heir under any will of a person now deceased? If so, please provide:
 - a. Decedent's name;
 - b. Status of the will and probate proceedings; and,
 - c. Describe the nature and value of real and personal property conveyed to you under such will.
5. For the tax years 2014 through 2019, have you owned an insurance policy of any type? If so, please provide:
 - a. The name of the insurance company;
 - b. The amount of the policy;
 - c. Type of insurance;
 - d. Any outstanding loans; and,
 - e. Copies of the policies and any relevant documents.
6. For the tax years 2014 through 2019, have you received income from any source including, but not limited to, salary, commissions, stock dividends, bonuses, insurance, claims, and rent payments? If so, please provide:
 - a. The total amount of income for each year and itemize subtotals;
 - b. Identify each and every source of income; and,
 - c. Copies of any relevant documents.

7. In the past five years, have you prepared or had prepared for you any financial statement or schedule, financial projection, tax statement, stock broker report, accountant report, or other document that presents a summary of your financial condition (in whole or in part), or have issued any such document to any bank, financial institution, banking corporation, firm, investor, or other person in the period being investigated? If so, please provide a copy of all such documents.
8. Provide copies of all your federal tax returns (income tax, gift tax, estate tax, or other) for tax years 2014 through 2019.
9. Provide copies of all your state tax returns (income tax, gift tax, estate tax, or other) for the tax years 2014 through 2019.
10. Complete the *Individual Financial Data Request Form* attached hereto as **Exhibit A** and provide true and correct copies of any documents requested therein.



Individual Ability To Pay Claim Financial Data Request Form

This form requests information regarding your financial status. The data will be used to evaluate your ability to pay for environmental cleanup or penalties. If you need more space for your answers, please attach additional sheets of paper. Note that further documentation may be requested for any of your responses. Any other information you wish to provide supporting your case is welcome, particularly if you feel your situation is not adequately described through the information requested here.

Name:
Spouse's Name:
Address:
County of Residence:

PART I. BACKGROUND INFORMATION

1. MEMBERS OF HOUSEHOLD (List the head of the household and all persons living with you)			
Name	Age	Relationship to Head of Household	Currently Employed?

2. EMPLOYMENT (List all jobs held by applicant and spouse.)			
Name	Employer	Length of Employment	Annual Salary

3. INCOME (List all income earned by persons in household. If members of the household other than the applicant and spouse earn income, please itemize on separate page.)

Source	Gross (Pre-Tax)		Period of Payment (check one)			
	Applicant	Spouse	Weekly	Monthly	Quarterly	Yearly
Wages/Salaries						
Sales Commissions						
Investment Income (interest, dividends, capital gains, etc.)						
Net Business Income						
Rental Income						
Retirement Income (Pension, Social Security, etc.)						
Child Support						
Alimony						
Other Income (please itemize)						

PART II. CURRENT LIVING EXPENSES

Please list personal living expenses which were typical during the last year and indicate if any of these values are likely to change significantly in the current year. Please do not include business expenses. If you are the owner of an operating business, please attach any available financial statements.

Expense	Amount	Period of Payment (check one)				For Agency Use Only
		Weekly	Monthly	Quarterly	Yearly	
A. Living Expenses						
1. Rent						
2. Home maintenance						
3. Auto fuel maint./other transp. other transportation						
4. Utilities						
a. Fuel (gas,oil,wood,propane)						
b. Electric						
c. Water/sewer						
d. Telephone						
5. Food						
6. Clothing, personal care						
7. Medical costs						
B. Debt Payments						
1. Mortgage payments						
2. Car payments						
3. Credit card payments						
4. Educational loan payments						
C. Insurance						
1. Household insurance						
2. Life insurance						
3. Automobile insurance						
4. Medical insurance						
D. Taxes						
1. Property taxes						
2. Federal income taxes						
3. State income taxes						
4. FICA						
E. Other Expenses						
1. Childcare						
2. Current School tuition/expenses						
3. Legal or professional services						
4. Other (itemize on separate page)						
Total Current Expenses						

PART III. NET WORTH

Please provide the following information to the best of your ability. Data should be as current as possible. Estimates are acceptable; if you wish note such items with an "E". If you are the sole proprietor of a business, please list business assets and liabilities to the extent that the information sought is not already provided in your tax returns, in addition to personal assets and liabilities. Please mark these entries with a "B" to identify them as business assets and liabilities.

1. BANK ACCOUNTS (Checking, NOW, Savings, Money Market, CDs etc.)		
Name of Bank or Credit Union	Type of Account	Current Balance
For Agency Use Only - Total Current Balance in Bank Accounts		

2. INVESTMENTS (Stock, Bonds, Mutual Funds, Options, Futures, Real Estate Investment Trusts (REIT), etc.)		
Investment	Number of Shares or Units	Current Market Value
For Agency Use Only - Total Current Market Value of Investments		

3. RETIREMENT FUNDS AND ACCOUNTS (IRA, 401(k), Keogh, vested interest in company retirement fund, etc.)	
Description of Account	Estimated Market Value
For Agency Use Only - Total Estimated Market Value of Retirement Funds and Accounts	

4. LIFE INSURANCE POLICIES (Whole Life, Universal Life, etc.)			
Policy Holder	Issuing Company	Policy Value	Cash Value
For Agency Use Only - Total Value of Life Insurance Policies			

5a. VEHICLES USED FOR COMMUTING PURPOSES (Cars, Trucks, Motorcycles, etc. Only list up to two vehicles used for commuting purposes.)					
Model/Year	Estimated Market Value	Loan (if any) Owed to:	Balance Due:	Start Date	End Date
For Agency Use Only - Total Estimated Market Value of Vehicles					

5b. OTHER VEHICLES (Cars, Trucks, Motorcycles, Recreational Vehicles, Motor Homes, Boats, Airplanes etc.) Attach separate sheets, if necessary.					
Model/Year	Estimated Market Value	Loan (if any) Owed to:	Balance Due:	Start Date	End Date
For Agency Use Only - Total Estimated Market Value of Vehicles					

6. PERSONAL PROPERTY (Household Goods and Furniture, Jewelry, Art, Antiques, Collections, Precious Metals, etc. Only list items with a value greater than \$500.00)

Type of Property	Estimated Market Value	Loan (if any) Owed to:	Balance Due:	Start Date	End Date

For Agency Use Only - Total Estimated Market Value of Personal Property

7a. REAL ESTATE — PRIMARY RESIDENCE (Home — List only one such residence.)

Location & Description of Property	Estimated Market Value	Mortgage (if any) Owed to:	Balance Due:	Start Date	End Date

For Agency Use Only - Total Estimated Market Value of Real Estate

7b. OTHER REAL ESTATE (Land, Buildings, Land with Buildings)

Location & Description of Property	Estimated Market Value	Mortgage (if any) Owed to:	Balance Due:	Start Date	End Date

For Agency Use Only - Total Estimated Market Value of Real Estate

8. OTHER ASSETS					
Type of Asset	Estimated Market Value	Loan (if any) Owed to:	Balance Due:	Start Date	End Date
For Agency Use Only - Total Other Assets					

9. CREDIT CARDS AND LINES OF CREDIT		
Credit Card/Line of Credit (Type)	Owed To	Balance Due
For Agency Use Only - Total Balance Due on Credit Cards and Lines of Credit		

10. OTHER DEBT (Amounts due to individuals, Fixed obligations, Taxes Owed, Overdue Alimony or Child Support, etc.)				
Type of Debt	Owed To	Balance Due	Start Date	End Date
For Agency Use Only - Total Balance Due on Other Debt				

PART IV. ADDITIONAL INFORMATION

Please respond to the following questions. For any question that you answer "Yes," please provide additional information on separate pages or at the bottom of this page.

QUESTION		YES	NO
1.	Do you have any reason to believe that your financial situation will change during the next year?		
2.	Are you currently selling or purchasing any real estate?		
3.	Is anyone (or any entity) holding real or personal property on your behalf (e.g. a trust)?		
4.	Do you hold partnership interest in a partnership or own/share ownership in a corporation?		
5.	Are you a party in any pending lawsuit?		
6.	Have any of your belongings been repossessed in the last three years?		
7.	Are you a Grantor, Trustee, Executor, or Administrator? If you are a Grantor, submit copy of trust as well the attachments & schedules.		
8.	Are you a participant or beneficiary of an estate or profit sharing plan?		
9.	Have you declared bankruptcy in the last seven years?		
10	Do you receive any type of federal aid or public assistance?		

VERIFICATION AND AFFIDAVIT

Under penalties of perjury, I declare that this statement of assets, liabilities, and other information is true, correct, and complete to the best of my knowledge and belief. I further understand that I will be subject to prosecution by the U.S. Environmental Protection Agency to the fullest extent possible under the law should I provide any information that is not true, correct, and complete to the best of my knowledge.

Date: _____

Name

Signature